

076108

JPRS-CPS-87-002

14 JANUARY 1987

19981113 092

China Report

POLITICAL, SOCIOLOGICAL AND MILITARY AFFAIRS

DATA QUALITY INDEX 70%

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
U.S. DEPARTMENT OF COMMERCE
NATIONAL TECHNICAL
INFORMATION SERVICE
SPRINGFIELD, VA. 22161

5
126
A07

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

NOTICE

Effective 1 January 1987 the following JPRS serial reports will no longer be published:

CHINA REPORT: AGRICULTURE

CHINA REPORT: PLANT AND INSTALLATION DATA

CHINA REPORT: RED FLAG

Material currently published in the CHINA REPORT: AGRICULTURE will be published in the CHINA REPORT: ECONOMIC AFFAIRS.

Material currently appearing in the CHINA REPORT: PLANT AND INSTALLATION DATA will appear in the CHINA REPORT: ECONOMIC AFFAIRS or in the CHINA REPORT: SCIENCE AND TECHNOLOGY.

The CHINA REPORT: RED FLAG will be published as a subtitled report of the series CHINA REPORT: POLITICAL, SOCIOLOGICAL, AND MILITARY AFFAIRS.

If any subscription changes are desired, U.S. Government subscribers should notify their distribution contact point. Nongovernment subscribers should contact the National Technical Information Service, 5285 Port Royal Road, Springfield, Virginia 22161.

JPRS-CPS-87-002

14 JANUARY 1987

CHINA REPORT
POLITICAL, SOCIOLOGICAL AND MILITARY AFFAIRS

CONTENTS

PEOPLE'S REPUBLIC OF CHINA

INTERNATIONAL AFFAIRS

GENERAL

Li Xiannian Visits North Korea (MING PAO, 4 Oct 86)	1
Democratization of International Relations Discussed (Chen Qurong; XIANDAI GUOJI GUANZI, No 3, 20 Jul 86)	3
International Strategic Situation Discussed (Chen Zongjing; XIANDAI GUOJI GUANXI, No 3, 20 Jul 86) ...	16

NATIONAL AFFAIRS

Hu Qili on Goals of Reform (RENMIN RIBAO OVERSEAS EDITION, 9 Sep 86)	29
Academic Conference Discusses Economic Crimes (Zhao Bingzhi, Jiang Wei; FAXUE ZASHI, No 5, 15 Oct 86)	30
Resolution on Spiritual Civilization Discussed (HARBIN RIBAO, 10 Oct 86)	35
Relationship to Economic Reform, by Sun Xingsheng	35
Relationship to Open-door Policy, by Xiao Li	37
Development of Country's Lawyers Discussed (ZHONGGUO FAZHI BAO, 3 Jul 86)	39

Strengthening Cadre Leadership, Reform Discussed (Ouyang Geng; LILUN YU SHIJIAN, No 17, 1986)	42
Party Committee, Plant Manager Relations (Ren Dazhang; LIAOWANG, No 38, 22 Sep 86)	46
Interview With CPC Committee Secretary of Textile Mill (Hua Huiyi; LIAOWANG, No 38, 22 Sep 86)	49
Plant Director Responsibility System, Party Leadership (Chen Fang; LIAOWANG, No 40, 6 Oct 86)	51
Principles for Interparty Relations Discussed (Ma Mingtang; MAO ZEDONG SIXIANG YANJIU, No 3, 1986)	56
Zhengzhou Mayor Discusses Fund Raising for Urban Construction (Zhang Zhichu; LIAOWANG, No 41, 13 Oct 86)	62
Diverse Ideologies, Class Struggle Discussed (Dan Nong; WENYI BAO, 20 Sep 86)	67
Interview With Liu Binyan (Jiang Yaochun; MINZHU YU FAZHI, 20 Sep 86)	72

REGIONAL AFFAIRS

EAST REGION

Conference on Handling Violations of Party Discipline (Ji Kuishun, Liu Tingan; XINHUA RIBAO, 12 Sep 86)	77
Forum on Party Rectification Survey Work (Zhang Xujin, Jia Yian; JIANGXI RIBAO, 24 Aug 86)	79
Li Chang'an on Graduate Education in Shandong (Wang Jinchen, Li Zunli; DAZHONG RIBAO, 11 Sep 86)	81
Shanghai Reforms Higher Education for Adults (Zhang Yifu; GUANGMING RIBAO, 19 Sep 86)	83
Latest Developments in Juvenile Delinquency in Shanghai (Xie Taisheng; SHEHUI, No 4, 20 Aug 86)	85
Shanghai Party Secretary, Literary Controversy Discussed (Zhao Lanying, Chen Maodi; LIAOWANG, No 38, 22 Sep 86)	89

CENTRAL-SOUTH REGION

Socialist Spiritual Civilization in Shenzhen SEZ (Chen Ruilian; ZHONGSHAN DAXUE XUEBAO, No 3, 1986)	92
--	----

SOUTHWEST REGION

Renewal of 'Double Hundred' Policy Exhorted (Zhou Keqin; SICHUAN RIBAO, 20 Jul 86)	97
Political, Ideological Work in Yunnan Discussed (YUNNAN RIBAO, 11 Jul 86)	99

NORTH REGION

Increased Cooperation Between Party, Government, NPC (He Ping, Chi Maohua; RENMIN RIBAO, 18 Oct 86)	102
Rural Party Rectification Discussed (SHANXI NONGMIN, 16 Oct 86)	104
Hebei CPPCC Committee Meeting Held 14-16 Oct (Hebei Province Service, 16 Oct 86)	110
Briefs	
Sports Team's Founding Celebrated	111

NORTHEAST REGION

Liaoning Cadres To Work Year in Countryside (Wang Fujie; RENMIN RIBAO, 8 Oct 86)	112
---	-----

MILITARY AND PUBLIC SECURITY AFFAIRS

Briefs	
Jilin Reserve Units Fight Floods	114
Baicheng Reserve Infantry Division	114
Sichuan Reserve Division	114
Guangxi Reserve Division	114
Dongchuan MSD Established	114
Chengdu MR Group Army	114
Air Force Provides Domestic Transport	115
Nanchang Conscription Progress	115
Shandong Conscription	115
Xizang Signal Battalion Holds Classes	115

TAIWAN

Political Socialization in Taiwan Discussed (Lung Ying-tai; CHIUSHI NIENTAI, No 200, Sep 86)	116
Enactment of National Security Law Deemed Unnecessary (Lin Shan-tien; TZULI WANPAO, 7 Oct 86)	118

LI XIANNIAN VISITS NORTH KOREA

Hong Kong MING PAO in Chinese 4 Oct 86 p 4

[Article: "Soviet Bloc Discloses Hu Yaobang's Refusal To Go to North Korea: Li Xiannian Paid a Visit Despite Illness; Kim Il-sung's Cancellation of Trip to Beijing Earlier Created Friction"]

[Text] China's president Li Xiannian flew to North Korea on Friday on a friendly 4-day visit. According to Western diplomats the purpose of this visit is to neutralize the favorable publicity of the Asian Games in Seoul.

According to an eastern bloc source, China's decision to send the ailing nominal head of state instead of the CPC leader Hu Yaobang is a deliberate act of scorn against her long-time ally.

According to an official XINHUA report, the 70-year-old Li Xiannian was accompanied by Wu Xueqian, minister of foreign affairs, and was welcomed at Pyongyang's Sunan Airport by Kim Il-sung, president and Communist Party leader of North Korea.

A Soviet bloc source suggests that Beijing's decision to send Li on this visit is a way of displaying her disapproval of Pyongyang because Kim Il-sung cancelled plans for a formal visit to Beijing earlier this year.

According to that report, Kim's cancellation of his visit prior to its formal announcement was the result of Beijing's refusal to sign a joint communique denouncing "American imperialism" in Asia. According to the same source, the CPC leader Hu Yaobang had planned to pay a formal visit to Pyongyang subsequent to Kim's visit to China. However, Western diplomats denied any knowledge of Kim Il-sung's cancelled trip to China.

But the source pointed out that Hu Yaobang was at one time the minister in charge of North Korean affairs.

That source also indicated that "to send Li Xiannian in Hu Yaobang's place is highly irregular, especially since Li has not been well."

During the Korean War, between 1950 and 1953, China and North Korea fought side by side and demanded repeatedly that the United States withdraw from the Korean peninsula.

According to the eastern bloc source, Beijing is probably bothered by the expansion of Soviet military influence in North Korea. Pyongyang has allowed Soviet military transport and reconnaissance airplanes to fly over North Korea on their way to Vietnam (Beijing's deadly enemy). According to that source, Pyongyang also gave Soviet war-ships permission to lay emergency anchor at Nampo on the west coast of North Korea. That port is only 100 nautical miles (160 m) from Chinese territory across the Yellow Sea.

During Li Xiannian's visit there were signs hinting at moderating relations between China and South Korea although there are still no diplomatic relations between the two countries. Currently, China is participating in the Asian Games in Seoul, and for the first time athletes are being flown directly to the capital of South Korea.

Western diplomatic sources said that the purpose of Li Xiannian's visit to North Korea is to mitigate the favorable publicity of South Korea during the Asian Games and that "the timing of this visit is by no means coincidental."

Pyongyang is boycotting the Asian Games and has indicated that North Korea may not participate in the 1988 Olympic Games in Seoul unless she is allowed to cosponsor the games.

In recent years there has been a surge in unofficial trade as well as athletic exchanges between China and South Korea.

12986/13104
CSO: 4005/096

DEMOCRATIZATION OF INTERNATIONAL RELATIONS DISCUSSED

Beijing XIANDAI GUOJI GUANZI [CONTEMPORARY INTERNATIONAL RELATIONS] in Chinese
No 3, 20 Jul 86 pp 1-9

[Article by Chen Qurong [6186 0648 2837]: "The Democratization of International Relations and World Peace"]

[Text] In the first half of this century, mankind suffered through two catastrophic world wars. Since World War II, we have managed to maintain world peace for 40 years, but it is no accident that world peace has replaced world wars. World peace is a state of international relations. Since World War II, two opposing trends have emerged in international relations: one is the continuous development toward democratization, and the other is the decline of power politics. These two trends interact with each other and struggle with each other to decide our fate of war or peace. The struggle for the democratization of international relations is the attempt to gradually establish democratic relations among all nations and among all races, so as to mitigate or eliminate the antagonisms and conflicts in international relations, and maintain world peace. During this United Nation's Year of International Peace, it is undoubtedly most meaningful to explore the evolution of the democratization of international relations and its ramifications for world peace.

I. Postwar Developments in the Democratization of International Relations

Democratization of international relations denotes the transformation of international relations from an authoritative relation, characterized by domination versus subordination, to a democratic relation, characterized by independence and self-determination, by equal participation, and by mutually beneficial cooperation. This transformation is a lengthy historical process: just in terms of contemporary international relations, it began with the October Revolution in Russia, and the implementation of Lenin's foreign policies, and was followed by the battle against Fascist aggression by the combined democratic forces in the world. Subsequent to the glorious victory in the battle against Fascism, this process gathered momentum. Today, democratization has become the fundamental trend in international relations.

Power developments in the democratization of international relations are manifested in several ways:

1. From the point of view of the fundamental structure of the system of international relations, both the rise of the new political forces and the changes in interrelations among the major powers sharply reflect the trend toward democratization.

First of all, within the 4 or 5 years after World War II, socialist power won democratic rights in 11 countries and the people's democratic governments were set up, thus drastically reducing capitalist territories. From the immediate postwar years until the early 1970's, more than 70 colonial territories successfully cast off the yokes of colonialism and won political independence, and this led to the final collapse of colonialism which had dominated for several hundred years. On the basis of these changes, and during their process, some socialist countries, and many newly independent nations, have become more unified because of their common struggle against imperialism, hegemonism, colonialism, and because of their effort to establish new international relations. As a result of the 1955 Asian-African Conference, and the subsequent nonaligned movement, the group of 77, the various regional and professional organizations, and other forms of alliance, many uncoordinated and weak forces have gathered together to form a decisive international political force, also known as the Third World. The rise of the Third World created the important premise for the in-depth development of the democratization of international relations.

Concurrent with the rise of the new powers, the United States and the Soviet Union have become superpowers contending for world supremacy, placing themselves in an antagonistic position with the majority of the rest of the world. Western Europe and Japan which were defeated or weakened during the war, and dominated by the United States after the war, have recovered and prospered, and have become U.S. competitors in economic matters, and contenders in foreign policy matters. Since the Soviets became a superpower, China, its one time ally, has remained steadfast in her struggle against hegemonism, and has become a member of the Third World. Among this "big family" of nations, some are searching diligently for a socialist way which best satisfies their own practical needs, although their endeavors have often been viewed as devious and have often been suppressed.

The aforementioned structural changes caused the basic make-up in the international system to undergo a transformation: the unified capitalistic domain was split into two opposing camps of capitalism versus socialism where each camp had its own internal differences, and which later dramatically divided into three separate worlds, each with its distinctive characteristics but all are interrelated. In the present three-world basic pattern, some increasingly clear trends have emerged: the Third World is forging a tighter unity; allies of the two superpowers are keeping a growing distance between themselves and the superpowers and drawing closer to the Third World; Eastern and Western Europe are seeking closer relations; the United States and the Soviets are forced to revise their relations to some extent.

2. Postwar democratization of international societies is even more concretely demonstrated in the process of establishing international relations. To observe this aspect of democratization, we have to analyze the participation by the people in the process of formulating foreign policies, and the developments of nongovernmental exchanges and people diplomacy; but more importantly, we must determine whether the nations of average size and smaller can rely on the principles of international relations to implement their own domestic and foreign policies independently; whether they can participate in the discussions and resolutions of international affairs as equal partners, and whether they are allowed to share in the advancements resulting from the mutually beneficial cooperations in international exchanges.

Independence and self-determination are the inherent rights of every sovereign nation. After they attained political independence, a majority of the African, Asian, and Latin American nations strive to increase their self-reliance, to become less dependent on the superpowers and their former lords and masters. At the same time, they zealously embrace the spirit of the United Nations Charter, and make independent and autonomous decisions on international matters; they seek understanding and compromise but will not give in to pressure from the major powers. In this respect the rise and the development of the nonalignment movement has set an example. The ideological and political bases of the nonaligned movement can be found in their opposition to the major powers' military coalitions and the resultant bloc dominations and bloc confrontations; it seeks to maintain world peace and pursues political independence and economic growth. The superpowers tried to intercept and disrupt this movement, but they could not prevent its dramatic development. By 1983, at the 7th Nonaligned Nations Summit Conference, the number of official members had increased from the original 25 to 101 nations. The tremendous growth in the nonaligned movement represents a major victory for the principle of independence and self-determination.

"Uphold the right of all nations to participate in international relations as equals: this is essential to the democratization of international relations." (Footnote 1) ("The Lusaka Declaration of Peace, Independence, Developments, and the Democratization of International Relations"; the 3rd Non-Aligned Summit Conference, Sep 1970) Reviewing the postwar history, until the mid and late 1950's, inequality among nations was a widespread and serious phenomenon. During the period, the United Nations was dominated by the few major powers; even the major Western European countries were, to a certain extent, subordinate to the United States. Beginning in the 1960's, the smaller countries began to gain some equality in their rights to participate in international affairs. Today, from the point of view of the global arena, the smaller countries are able to make known their wishes and demands at the United Nations, and express their views and advocations on major international issues, and they have joined forces in obtaining a series of resolutions which reflect their own interests and the common interests of a majority of the countries. From the point of view of regional arena, these nations have set up many regional economic organizations and political organizations on their own. In this new international arena, the affected countries on the

whole act in accordance with the principle of consultation on the basis of equality, and in the spirit of seeking common grounds while reserving differences, they cooperate with each other in dealing with regional affairs. Of course, taking international relations as a whole, at present these nations still enjoy only limited equality; what they have is mainly political.

In economics, the majority of the newly independent nations only managed to cast off the extraeconomic exploitations of the colonialism of the past, but prolonged capitalist economic relations and neocolonialism continue to subject them to serious exploitations. In order to change the inequality in international economic relations, and to attain economic developments with self-determination for all nations, and attain common prosperity in the world economy, the developing countries have initiated and strengthened the South-South cooperation, and vigorously promoted a North-South dialogue, and strived to reform the old international economic order to establish a new, fair and reasonable order. In view of the complicated ramifications of international capitalistic economic relations, this struggle has been arduous, and progress has been relatively slow. However, since the special session of the United Nations ratified the "Declaration To Establish a New International Economic Order" and its "Program of Action" in 1974, the efforts to remove the old and install the new has become a powerful historical trend in the realm of international economics. Today, a growing number of advanced nations have come to recognize that developments in the southern hemisphere are closely tied to those in the north, and that their economic stability and growth cannot be built on the stagnation and poverty of the developing countries: both sides can gain if they share in the progress, and neither side can win if one insists on going its own way. The Western European community spearheaded the proposal to establish an "equal partner relationship" with the Third World, and extended favorable treatment to the developing countries. Although the United States still maintains a negative attitude toward a North-South dialogue, they too admit that "the economic stability and prosperity of the developing countries have provided the United States with great economic benefits." (Footnote 2) ("U.S. Prosperity and the Under-developed Nations"; U.S. State Department Background Material, Apr 1975)

3. The establishment and advancement of the five principles of peaceful coexistence and other democratic principles and styles of non-aggression, mutual assistance, and friendly cooperation in international relations, reflect clearly the developments in the democratization of international relations.

In short, the postwar democratization of international relations has become increasingly broad and progressively profound. This development can be roughly divided into two stages: the 1970's and earlier was the first stage where political democratization was the center of the struggle; this was followed in the second stage by a more in-depth struggle where economic democratization became the main objective. But one theme ran through both stages: independence, equality, cooperation, peace, and advancements. Premier Zhao Ziyang said, "To establish a peaceful and secured, prosperous

and advanced, equal and cooperative world is the common aspiration shared by all mankind." (Footnote 3) (Zhao Ziyang, "Speech Before the Special Session of the UN General Assembly Commemorating the 40th Anniversary of the Founding of the United Nations"; 24 Oct 1985) The democratization of international relations is the crucial intensification of the struggle to realize this common aspiration.

II. The Democratization of International Relations and the Decline of Power Politics.

Democratization of international relations exists as the antithesis to power politics; it grew amid the struggles against power politics. Progress in democratization signifies the decline of power politics. Although power politics is still prevalent, compared to prewar eras, distinctive changes have taken place.

Power politics is the attempt by one nation, relying on its political, economic, and especially its military capabilities, to rule or dominate another nation. There are several basic precepts to power politics: first is the obsession with power, that is, the insane pursuit of "world supremacy" in international relations, the quest to establish an authoritative relation of dominance and obedience between nations or races; it is the belief that "international politics, like all politics, is the struggle for power." (Footnote 4) (Hans Morgenthau, INTERNATIONAL POLITICS (5th ed., 1978) p 29) Second, it is the obsession with military power, a propensity to use force, or threaten to use force in international relations; it is the belief that "crucial contemporary problems are not solved by resolutions or majority votes, but by iron and blood." Third, it is the obsession with the logic of "might makes right," and the belief that sheer size, strength, and wealth give one the right to bully, oppress and cheat; and in order to achieve one's goals, one can abandon principles, trustworthiness, and integrity. Fourth, power politics also has a set of "power patterns," like "empire," "sphere of influence," "league," and "axis," "buffer zones," and "satellite nations." Those who pursue power politics adopt these patterns to establish and maintain their dominance over other nations. The decline of power politics signifies the gradual loss of the "utility" of the above precepts and patterns in international relations. It has become increasingly difficult to dominate, control, or influence another country by ways of imperialism, colonialism, and hegemonism.

Before World War II, even though the post-revolution Soviet Union had proposed some new forms of international relations, power relations remained the basic form. Since the war, following the developments in the democratization of international relations, many power relations have become ineffective, and with that came the gradual rise of equal and mutually beneficial exchange relations. Today, although the old colonial ties have not been severed, and power relations are going strong in the economic realm, and imperialism as well as hegemonism continue to plot to reestablish themselves, power relations have clearly lost its predominance within the system, and is no longer the main

form of international relations. The Third World countries not only practice and further develop a new form of equal and mutual relations among themselves, but they strive to change the remaining inequality between themselves and the rich and powerful countries, and they resist vigorously any attempts to reestablish any new power relations.

As far as military power is concerned, the most noticeably curious phenomenon is the accumulation of destructive capabilities in the hands of the superpowers, the capabilities far surpassed the needs for fighting wars, and yet their relative effectiveness have diminished to the point where they can hardly be turned into a means of control politically. This phenomenon has to do with nuclear capabilities, with mutual deterrence, and counteractions between the two superpowers, but especially with the democratization of international relations. Progress in democratization caused a major shift in world predominance against the warmongers. Nowadays, those who use force and violence in international relations, those who attempt to attack or interfere in another country, will not be able to escape worldwide condemnation; and even though the victim may be but a weak and insignificant nation, its people will resist and struggle to the end; and even if the aggressor is a superpower, it will suffer defeat, or at least find its loss far outweighs the gains. Since the war, some who practice hegemonism have pursued battleship diplomacy, military blockade, armed intervention, or outright aggression to implement their foreign policies. They might gain limited and momentary success, but on the whole, theirs is but a record of continuous failures.

President Ronald Reagan of the United States said "missiles and bombs will not be the determining factors in the present struggle for world supremacy." (Footnote 5) (Reagan, "Speech Before the British Parliament"; 8 Jun 1982) Recently another superpower has repeatedly emphasized a "format of peaceful competition." Of course the two superpowers have their own designs and neither will ease up on their arms build-up. However, realities have forced the people to reexamine the traditional concepts of war and peace, competition and cooperation, prosperity, development, and military power itself. Increasingly, people have come to recognize that today's problems cannot be solved by military force. Military force cannot remove the antagonisms and crises inherent in imperialism; they cannot stop racial emancipation or the development of socialist forces. The two superpowers cannot continue to rely on traditional prewar methods of waging wars to tip the balance of power; they are forced to control their arms race and regional clashes. We must mitigate and settle the conflicts between the East and the West, the North and the South, by means of dialogues and negotiations.

The "power approach" to power politics similarly is facing a dim future. After the war, the supremacists attempted to proceed on the "sphere of influence approach," and other related "rules," that is, each side maintaining "separate administration" of its own sphere of influences, and be "responsible" for maintaining "order" within its own sphere, and as long as they did not over-step certain boundaries, even the use of military force was deemed "internal policy." This was the usual game played by the old imperialists and

the colonialists. But "sphere of influence" has never been a monolithic bloc, and has always been delineated by the actual strength of the aggressor. As soon as the opportunity comes up, or if there is a change in the balance of power, the other side will move in to take over the territory and expand its own power. This inevitably leads to disputes, conflicts, and confrontations. Postwar events demonstrated that although the independence, freedom, and development of the smaller nations have made things difficult for the sphere of influence approach, they have not resolved the conflicts between the supremacists. But we can be gratified by the fact that the efforts to draw up new spheres of influences in the new regions have met with continual resistance, and the original spheres are disintegrating.

Forming military coalitions among the major countries is another way the supremacists implement their power politics. Soon after the war, in order to contain the spread of socialist power and to dominate as much territory as possible, some who pursued hegemonism began to set up a system of military coalitions in critical areas throughout the world, calling them "collective security arrangements," or "treaty organizations." But there are more failures than success stories in these attempts. Some attempts were aborted; others were shortlived; those that managed to linger are in bad shape. Besides "treaty organizations" some supremacists also attempted to install "friendly mutual assistance" and other military treaties; they hid behind the term "friendship" to implement control and exploitation; eventually the partner countries had to abrogate the treaties and ordered their "guests" out. In view of the actual outcome, the military coalition approach of the major countries has no future.

Comrade Deng Xiaoping pointed out that, "the five principles of peaceful coexistence are the best approach to handling the relationship between nations. All other approaches, like "one big family," "political blocs," and "spheres of influence" will only bring conflicts and intensify international situation. To sum up the practices of international relations, the five principles of peaceful coexistence are the most viable approaches." (Footnote 6) (Deng Xiaoping, ESTABLISHING THE SOCIALISM WITH CHINESE CHARACTERICS: Renmin Chubanshi, 1984 p 67) This is an incisive summary of the approaches to dealing with international relations and solving international problems.

III. Democratization of International Relations is the Main Factor in Limiting Wars

Power politics is the direct cause of international warfare. When power politics was on the rampage, wars were the norm in international relations, and peace was but brief respites between wars. The reason mankind was not spared the catastrophes of the two world wars was because the citizens of the world were powerless. The world has managed to keep peace for 40 years, and the crucial factor is the significant developments in the democratization of international relations. The process of democratization and the resistance to power politics is also the process of limiting war and maintaining peace.

The Third World is the main force behind the drive against power politics; it is also the backbone of the peaceful forces. Through its own unity and endeavors, and by joining other peaceful forces in a common struggle, the Third World builds dams all over the world to block the expansion of the influence of war and the increase in the elements of war.

During the 40 years after the war, about 150 international wars and armed confrontations have broken out worldwide; more than 10 million people have lost their lives. According to analyses, although these limited wars took place almost entirely in Asia, Africa, and Latin America, a vast majority of them can be traced to imperialism, colonialism, and hegemonism, and only a small number was attributable to the Third World countries themselves. The Third World countries have paid a very high price in their efforts to defeat the attempts to strangle their national liberation movements, their national democratic revolutions, and their socialist revolutions, but they have also won glorious victories. World peace is indivisible. For the people of the world to win the regional wars initiated by the perpetrators of power politics, and for the Third World nations to settle their boundary disputes, national misunderstandings, religious conflicts, and other historical problems by peaceful negotiations: these are not only necessary conditions for maintaining regional peace but are also essential for preventing world wars. Facts proved that a vast majority of the limited wars are, to varying extents, backed by the superpowers: in order to maintain or expand their territories, they often exploit conflicts, and provoke incidents, and they or their agents often turn a regional war into a crucial link in their respective global strategic deployment. Even if they do not participate directly, their intervention and involvement often shroud a limited war with the shadow of a world war. Without the courageous struggles of the people of the Third World and the citizens of all nations, and if we only have nuclear deterrence and the "balance of terror" to count on, it will be difficult to imagine how these incessant limited wars would not turn into an inferno of global war.

Today, the superpowers' global strategic deployment is met with resistance, and it is increasingly difficult for them to move forward. In Europe, the two superpowers have confronted each other for decades, and neither could break the military deadlock. Europe in fact has become the world's largest arsenal and potential battleground; meanwhile, Europe was the hotbed and battleground for two world wars and suffered unprecedented losses, facts which the Europeans can never forget. This present precarious situation forces the European politicians to choose a moderate road. Their common aspiration is to seek, through dialogues and negotiations, U.S. and Soviet arms reductions, and see a low level of balance of power in Europe so as to truly moderate East and West relations, and create new parameters for the normalization of relations between eastern and western Europe. As the European countries become more aware of themselves as individual nations and less as a collective, it has become difficult for the superpowers to keep them on their respective strategic tracks, let alone tie them to the war wagon. The two superpowers are at a stalemate and locked into a seesaw struggle in the Middle-East and Africa. The Arab nations and African nations have enhanced

their respective political cooperations. The Gulf region and western African nations have taken collective preventative measures to prohibit foreign intervention. The Arab nations and the Palestinians are struggling to recover lost territories and restore their rights as nations. People in southern Africa are protesting against South Africa's apartheid policy, and fighting for Namibia's independence. These are important components in the struggle to maintain world peace. Although the superpowers have increasingly turned their attention to Asia, this region consists of a diverse independent forces, it has never been, and will never be a region where the supremacists can do as they please. The American imperialists launched, or became directly involved in, several of the most costly battles since World War II in this region, but ultimately it was the Asians who won, and the U.S. was forced to make strategic withdrawals. Today, the Afghans and the Cambodians are struggling against military occupation and armed invasion by a supremacists. Asians are determined not to allow their area to follow in Europe's footsteps to become the arena for fierce rivalry and intense confrontation of the superpowers. As for Latin America, just as the Latin American countries say, "Latin America and the Caribbeans refuse to become the arena for foreign confrontations. We firmly believe that our regional problems can, and must, be solved by ourselves to make sure that Latin America will remain a peaceful region."
(Footnote 7) ("Quito Statement"; Latin American Economic Council, Jan 1984)
In recent years, Latin American countries and their people have waged many forms of struggle to drive out foreign interventions, and settle Central American disputes by peaceful means.

The superpowers failed to find adequate pay-off in limited wars and global strategic deployments; their arms race incur endless wastes in human, material, and financial resources, and have become a burden to the two country's economy and society. The Soviets are not as well-endowed as the United States and have to rely more heavily on sacrifices in the civilian economy in order to develop the armament industry. In the early 1970's the Soviets managed to tip the balance in strategic nuclear capability in their favor, but soon lost ground in economic developments in the mid-1970's. As a result, in the past decade or more they have lagged behind the United States economically. Now the Soviet leaders acknowledge that arms race has become the "most difficult problem" facing the Soviet Union. It seems that "a choice between the cannon and the butter" has to be made sooner or later. The United States, secure in her ample capabilities, has never passed up a chance to surpass the Soviets in military supremacy, and has tried to "bankrupt" the other side with an increasingly expensive arms race. However, huge deficits, mainly resulting from arms expansion and war preparations, have forced the U.S. government to cut back on welfare spending, and forced it to consider slowing down the rate of increase in military spendings. At present neither side can tip the strategic balance, and either side's superiority is but partial and momentary. Both sides possess sufficient nuclear capabilities to destroy the other side several times over, and neither can use that to overpower the other side, or blackmail a third country with it. They both face the same choice: either seek balance by de-escalating, or by further escalating; the former choice means drastic reductions in the present arsenal which will benefit both sides,

the latter will force them to pay an even higher price, and face opposition from the rest of the world. Developing a strategic defence system, and starting a "nuclear space age" arms race are new-found stimuli for nuclear and conventional arms races. But the decision makers on both sides must consider one limiting factor, that is, no where in the world is there an economy that can sustain the consumptive capacity of contemporary arms race and contemporary warfare.

In conclusion, following the democratization of international relations and the expansion of the forces of world peace, whether it is in the realm of arms race or on the track of regional confrontations, every step the superpowers attempt to take will require them to overcome tremendous obstacles, and require them to pay a high price. Even if they might succeed in gaining a few pieces of "political ground," it will not give them any freedom of action. So long as the people of the world continue to oppose any kind of supremacist regional expansion and aggression, so long as they are determined to upset the superpower's strategic deployment, and are determined to oppose an arms race, it is entirely possible to postpone, or avoid, the eruption of another world war.

IV. Democratization of International Relations and Interdependence Among Nations

Whether we look at it as a general political and economic trend, or as a crucial factor in limiting wars, the democratization of international relations is not accidental. If we acknowledge that the world communist movement, the national liberation movement, national democratic revolutions, and the people's movement have furnished direct momentum to the democratization process, then the interdependence between the races and the nations has provided it with an objective basis. In other words, democratization of international relations is the objective requirement of the interdependence among nations.

Since the war, "the contacts and interdependence among the nations" have increased significantly.

First, following the advancements in science, technology, and social productivities, people's economic lives have become internationalized. Nations become much more dependent on each other for natural resources, energy resources, markets, finances, and technologies. According to statistics, between 1960 and 1980, the average net increase in world export-trade was 6.7 percent per year, while the average net increase in the world's total output value was 4.4 percent per year; the ratio of world exports to domestic total output value rose from 12.2 percent to 21.8 percent within the period. These figures reflect the extent of economic interdependence among the nations. Among different types of nations, the most conspicuous are the well-developed capitalist nations. The postwar internationalization of productions and capital took place mainly among these countries. Their international production is specialized and technically advanced to the point where everything can be broken down into parts and components. There are also new developments

in their interdependent relations with the developing countries; the division of labor has emerged from a vertical division in manufacturing, mining, and agriculture to a horizontal division in processing-manufacturing. There are increased regional economic cooperations among the developing countries in pursuit of collective self-reliance. A majority of the socialist countries are gradually opening up to the outside world, and participating broadly in this worldwide division of labor, and concurrent with enhancing the economic cooperations with their own kind, they are also actively developing economic exchanges with the capitalist nations. On the whole, all nations in the world are affected and constrained by international economic relations, and with no exception, all nations must live with each other, and trade with each other.

Second, the postwar trend of interdependence is also reflected in the area of political and military security. The rivalry between the superpowers is felt in every corner of the world; the danger of war caused by their arms race imperils the whole world, and most often regional hegemonism is linked to world supremacy. Therefore, although different nations and different regions face different problems, at the same time they are exposed to the same dangers. This adds another dimension to the interdependent relations among the nations, among the regions, and also within the regions; it also makes national security, regional security, and world security as a whole dependent on one another. In fact, even among the superpowers, there exists a subtle interdependence: both sides worry about the other side's gaining strategic superiority thus risk being placed in a passive position; both sides strive to gain the upper hand in increasing its own freedom of movement, but neither side can tip the balance of power, and neither has the certainty of victory. Everybody fears the mutual destruction caused by a nuclear confrontation. This situation forces the two superpowers to rely on the "balance of terror," and the deterrent capabilities of large scale destructive type weapons, and each makes its allies reliant on their nuclear protection, and in turn the superpowers depend on their allies for their moderating and bridging effects.

Furthermore, compared to the prewar era, some distinctive changes in the nature of dependence have also taken place among the nations. The interdependence created by the capitalists' opening up of the world market is the objective historical effect of capitalism, and not a result of the capitalist intention. What colonialism and imperialism pursued in international relations is the unilateral dependence of one country on another rather than interdependent relations. In order to achieve their goals, they often resort to military annexation or occupation: they "attack and then trade," or they "trade and then attack." There have been some crucial changes after World War II: a drastic reduction of coercion and annexation to create an interdependence; a rapid increase in interdependence created by multinational corporations; the gradual development of non capitalistic interdependence resulting from the participation of socialist countries and newly independent countries in the new worldwide division of labor; and an entirely new postwar phenomenon of interdependence which is based on economic relations but is also a matter of national security in the shadow of nuclear weapons. These changes caused the nature of interdependence among societies to differ from the prewar era.

Lenin once said that "during the course of capitalist development, we can detect two national historical trends: the first is the awakening of national identity and national movements, the struggle against oppression, and the establishment of the people as a nation. The second trend is the development and flourishing of various relations among the nations, and the breakdown of the barriers between nations, and the forging of international unity on matters of investments, the general economy, politics, and science." (Footnote 8) (The Complete Works of Lenin, Vol 20, p 10) The democratization of international relations and the interdependence among international societies represent the manifestation and the development of these two trends. Although there are certain contradictions between the two trends, under certain historical conditions, they also have an inevitable relation and inherent unanimity. The development of democratization is objectively based on mutual dependence, but it is also the essential premise for the maintenance and growth of interdependent relations. For human societies to develop from coerced relationships to voluntary commingling requires the historical transition stage of national independence and democratization of international relations.

The interdependence between nations requires that the nations accommodate each other, live in harmony with each other, and cooperate wholeheartedly with each other. To attain this kind of accommodation, harmony, and cooperation, they must first eliminate or mitigate antagonisms, alleviate or control conflicts, abandon and stop all wars. These are dependent on the developments in the democratization of international relations. "International cooperation is possible only among equals," and "national independence is the basis of all international cooperation." (Footnote 9) (Selected Works of Marx and Engels, Vol 4, p 428) Only by democratizing international relations can the antagonisms and conflicts between nations be mitigated, and only then can the essential premise for international cooperation be created. It is difficult to imagine that a truly equal relationship can exist between an oppressor and the oppressed. The capitalistic interdependence is always accompanied by a controlling-controlled type of antagonism, and with the development of these antagonism, the oppressed or the bullied nation will turn to national liberation movements, or other forms of struggle, to bring about national independence, or to defend their independence so as to satisfy the objective demand of interdependence. Noncapitalistic interdependence equally rejects the power relation which is anti-democratic. The attempt to exploit interdependent relations to achieve a supremacist goal and change a mutually dependent relationship into a one-sided dependency will inevitably lead to conflicts and antagonisms, and ruin the existing cooperation, and prevent the development of the historical trend where nations can have a closer, more harmonious relationship. The mutual dependence among the nations for security purposes will directly require mutual respect for a nation's sovereignty and independence, and explicit opposition to hegemonism and wars of aggression.

The present world is one where nations are closely linked and mutually dependent. In this world, the survival of a nation often affects the security of another; the success and failure of one side often affects the rise and fall of the other side. If a country undermines the security of another

country to ensure its own safety, if it sacrifices other people's progress in pursuit of its own prosperity, it will end up harming itself as well as others, and will find the damages costly and self-inflicted. At the present stage, societies are faced with many problems, many of which touch on a society's immediate interests, and the concerted efforts of all parties are need in order to solve them. The problems of maintaining world peace, pursuing common developments, as well as tackling other related issues, like the U.S. and Soviets arms reduction, elimination of regional "hot spots," peaceful use of outer space, rational use of natural resources, and others, often require bilateral, or multilateral, or even global collaboration and cooperation. The postwar intensification of mutually dependent international relations has provided the objective foundation for this kind of harmony and cooperation. But to truly realize this kind of harmony and cooperation we must create a more substantial set of subjective parameters, particularly, we must continue to push forward the democratization of international relations.

To sum up the above discussion, democratization of international relations which is objectively based on the mutually dependent relationship among the races and the nations, is a process of combating power politics and fighting for independence, equality, cooperation, peace, and progress. Democratization and world peace serve each other, promote each other, and accompany each other in their developments. Democratization of international relations views peace as an inherent condition for its own development; it moves forward among the struggles against imperialism, hegemonism, colonialism and other warring influences. In turn, this democratization is the premise for world peace; and through the democratization struggles, wars, and the factors of wars, can be limited or eliminated, and hence peace itself can be preserved, or even can flourish. The peace which democratization of international relations is trying to attain and preserve is the peace introduced in the five principles of peaceful coexistence, and is also what Comrade Hu Yaobang was referring to in his appeal to the world as "the peace which is based on total respect for each nation's independence and sovereignty." (Footnote 10) (Hu Yaobang, "Our Common Historical Responsibilities"; speech given at the banquet for the peace-loving people of the world, 6 Jun 1985)

12986/12795
CSO: 4005/147

INTERNATIONAL STRATEGIC SITUATION DISCUSSED

Beijing XIANDAI GUOJI GUANXI [CONTEMPORARY INTERNATIONAL RELATIONS] in Chinese No 3, 20 Jul 86 pp 15-23, 30

[Article by Chen Zongjing [7115 1350 4842], Professor, Beijing University; Director, Center for International Studies of the State Council; Committee Chairman, Research Committee at the Institute for Contemporary International Relations Studies: "Contemporary International Strategic Situation (Part 2)"; Part 1 published in JPRS-CPS-86-066, 28 Aug 86, pp 16-27]

[Text] The second important point in the contemporary international strategic situation is: the worldwide transition from capitalism to socialism will be an extended historical process, and thus socialism and capitalism will exist side-by-side for a long time to come.

Part 5 of the political report presented at the 12th People's Congress, entitled "Uphold a Foreign Policy of Independence and Self-determination," contains the following statement: "we followers of Marxism-Leninism believe that eventually Communism will prevail in this world; but revolution cannot be exported, it can only be the outcome of the people's free choice. It is based on this conviction that we steadfastly uphold the Five Principles of Peaceful Coexistence." This is a correct and precise statement, and anybody who is seriously concerned about the issue, and who is seriously studying about China should give it much consideration and deep-thought. Here I would like to add my own meaning and perception: to say that "the worldwide transition from capitalism to socialism will be an extended historical process" is to affirm the idea of a "transition," that is, the eventual destruction of capitalism, and that "eventually communism will prevail in this world." This undeniably is what we Chinese Communists firmly believe in. But this transition "will be a prolonged historical process," and "socialism and capitalism will exist side-by-side for a long time to come." Therefore, the Five Principles of Peaceful Coexistence which we uphold, and which best suit our relations with those countries that may or may not have the same social system as ours, should not be considered our tactical principle, but rather, as a fundamental international strategic principle and a long-term general policy.

According to one report, some Americans feel that "the Chinese leaders have said that China will not base her relations with other countries on differences, or similarities, in their social systems or their ideologies, and that is a wise decision." But other Americans think that "the Chinese has persistently maintained the theory that socialism will certainly win and capitalism will certainly be destroyed: this shows that the Chinese government is very ideology-oriented, and we must not underestimate its effect on international relations, and the United States must take this into serious consideration." This latter view seems both logical and dubious at the same time. We acknowledge unequivocably that "Chinese foreign policies are based on the scientific theories of Marxism-Leninism and the thoughts of Mao Zedong," thus one can say that we are "very ideology-oriented." But people often forget that a man like Hitler also had strong "anti-Communist" ideology, but the first country he invaded was not the socialist Soviet Union, and eventually it was an alliance of countries with very different ideologies, an alliance of the Soviet Union, the United States, England, France, and other nations, that defeated this Fascist. On the other hand, people have also neglected that the so-called "Chinese government's ideology" is more than just the belief that "communism will eventually prevail in this world," but also that "revolution cannot be exported," that "the transition will be a prolonged historical process," and we also believe in the "unity of theory and practice" and "seeking truth from facts," and similar dialectical materialist and historical materialist basic principles. Often our party and national leaders mention that "we approach this and that problem with a realistic attitude," that can also be our ideology. Long ago, Chairman Mao Zedong stated that "Chiang Kai-shek's subjective wish is to maintain dictatorship and destroy communism. But for his wish to come true he has to overcome many objective difficulties. This forces him to be realistic. Other people want to be realistic, so we want to be realistic too; other people approach us realistically, so we negotiate with them realistically." (See article entitled "About the Chungqing Negotiations.") He also said that "the capitalist countries and the socialist countries will still compromise on many international issues because there is something to be gained by compromising." (op cit.) Mao also said, "we Marxists are revolutionary realists; we do not dwell on fantasies." (See "The Political Situation and Our General Policies After the Victory in the War of Resistance Against Japan.") It can be said that "revolutionary realism" and our analytical approach to international affairs and our long-term international strategic situation based on our revolutionary realism are also important aspects of our ideologies. Scientific theories are the foundation, but they cannot replace strategy or international strategies, and least of all replace specific policies. As for other impractical fantasies, they can never become strategies or strategic principles. If we do not periodically integrate the basic principle of marxism with the realities of world affairs and world situations which are invariably developing, then we cannot produce a correct, especially a permanent, strategic decision and international strategic principle.

Here let us pursue this issue, that is, about the contemporary international strategic situation; let us develop further, and observe more closely; we can start with two areas:

First, "Can Capitalism Survive?"

The above is the title of the cover story in a 1975 TIME magazine celebrating the bicentennial of the founding of the United States, and also the bicentennial of the publication of Adam Smith's "An Inquiry Into The Nature and Causes of The Wealth Of Nations." It is also the headline on the cover of the 14 Jul issue. I am borrowing it for the moment.

The first paragraph of the article says,

"Capitalism is beset by crisis. . . . [Its] supporters as well as its critics ask: Can capitalism survive?"

"The question is all the more urgent because the U.S., by far the most powerful capitalist economy, is recovering from its recent debilitating bout of inflationary recession and faces a particularly uncertain economic future....

"In January seven Nobel prizewinners, including Economist Gunnar Myrdal and Kenneth J. Arrow, signed a declaration condemning Western capitalism for bringing on a crises by producing 'primarily for corporate profit.' They called for an intensive search for 'alternatives to the prevailing Western economic system'. . . . U.S. Economist Milton Friedman, a disciple of Adam Smith, darkly suspects that capitalist freedom will turn out to be 'an accident' in the long sweep of history, and that humanity will sink back into its 'natural state' of tyranny and misery." (Footnote 1) ("Can Capitalism Survive," TIME, 14 Jul 75, p 52.)

Toward the very end of the long introduction, the article says, "It is a little early to write off capitalism. The system has survived wars, depressions, the loss of colonial empires.... Today ironically, the strength and adaptability of capitalism are appreciated most by fervent socialists who would like to destroy the system but realize they are nowhere near their goal. Now Left Philosopher Herbert Marcuse denounces capitalism's profit motives as 'obscene' but conceded that it is so powerful that the downfall of capitalism 'is not imminent.' Michael Harrington, the preeminent American socialist concedes that capitalism 'has shown remarkable resiliency' and predicts that it 'will spend and plan its way out of the present situation.'" (Footnote 2) (Ibid., p 52, 53)

The "TIME article appeared when the storm which battered the world economy between 1973-1975 was coming to an end. During the 1979-82 recession, there were numerous similar reports and articles. For example, on 11 Nov 81 the CHICAGO TRIBUNE reported that the hopelessness brought on by the economic policy resulted in the "Ayatollah syndrome," that is, people once again zealously sought help from the old fundamentalist religion and belief, hoping that that could solve all the nagging problems in the world today. This report echoes Friedman's "dark suspicions" mentioned earlier. What is "the old fundamentalism"? The TIME article and its cover has already given us the answer: the magazine cover featured the bust of Adam Smith, and he is mumbling, "Don't count me out, folks!" Obviously, there is a strong sense of

reminiscence and admiration for the Scotsman Adam Smith and his "classical writing" which advocates an economic system of free capitalism. Adam Smith once said that, "men will always work harder for their own advancement than for the good of their fellow men." Out of desperation, people began to popularize "neoclassicism." Nevertheless, the era of free capitalism is gone forever. I think if we re-read some of these articles and reports, they will, to a certain extent, help us understand the effects of the two major postwar economic crises on public opinions, economic thoughts, as well as the overall situation in the Western world at that time.

The gist of the TIME article is, of course, to defend capitalism, but we cannot ignore it because of that. The article asked an important question, as stated in the title which I have borrowed. It also brought out other related issues, especially the issue of capitalism's "resilience." This directly touches on the theme of "Can Capitalism Survive?" and therefore warrants further discussion.

Let me borrow the terms "rebound" or "resilience." They often appear in Western writings. For example in the 9 Aug 1982 issue of the BUSINESS WEEK, it predicted that worldwide economic recovery would accelerate in 1983, and Western industrial nations would see the rate of growth rise from 0.6 percent in 1982 to 3.3 percent in 1983: "However, from the standpoint of historical standards, this is but a modest rebound." Also, in a paper in the Mar 1983 issue of TODAY's MARXISM, a British Commonwealth monthly publication, an article entitled "Karl Marx's School of Thought Still Shines After a Century" acknowledged that "to a certain extent, we have underestimated the flexibility and the resilience (same as resiliency, or the ability to recover) of capitalistic democracy as well as the extent to which social democracy can mitigate the contradictions and crises within capitalism," and so on. Intuitively, I often associate the word "rebound" with something indecent (especially in Chinese, the word is more or less derogatory), like the image of a "centipede"; or it reminds me of a short essay in Hong Kong's TAKUNG PAO, dated 12 Feb 1986, entitled "Speaking of the Tiger in this Year of the Tiger": it depicts a tiger "with half of its heart blown out by a large calibre bullet, it lept into the air, ran 90 meters, and ferociously attacked the people who were trying to capture it." Nevertheless, the term is not as final as what most people often refer to as "a death throe": it allows people to calmly contemplate the issues, and it encourages people to analyze and weigh objective situations in a practical and realistic manner. Here I would like to mention in passing that the Japanese too use words like "death," for example in a certain writing about the Japanese scientific and technical revolution, it says, "to quote a Japanese saying, the petroleum crisis was the 'external pressure' on Japanese scientific and technical developments; in order to maintain and further develop the economy, the Japanese had no choice but make a 'deathbed struggle'." We must admire the Japanese for their drive, and we can also say that the "deathbed struggle" is the concrete manifestation of the "resilience" of Japanese capitalism.

To expand our field of vision, let us go a little further and see what some other people have to say. Here we must mention two Soviet discussion papers on contemporary capitalism; they were published at approximately the same time, around April 1985. They did not use the words "rebound" or "resilience," but they used a lot of similar terms like "development potentials," or "capabilities." But based on what I have read in Chinese abstracts (neither in the original language nor in their entirety), I cannot agree with all of their arguments or their premises, but I like their abidance by the Marxist principle and methodology of seeking truth from facts, and I agree with some of their viewpoints and arguments. In one of the articles, it says, "Soviet political economy theoreticians are debating the postwar developments of imperialism." This shows that there is a lot of interest in this important issue within Soviet ideological and theoretical circles. This is a very good sign. One article, by the well-known Soviet Economist P. N. AVALKIN, entitled "Lenin's Theory On Imperialism In Today's Realities," appeared in the monthly magazine WORLD ECONOMY AND INTERNATIONAL RELATIONS, vol 5, 1985. The other article, by V. M. (Kudilev) and Yu. I. Bobulakev, entitled "Lenin's Theory on Imperialism and Contemporary American Capitalism," appeared in another monthly magazine THE UNITED STATES, vol 5, 1985. In the latter article, it says, "the Marxists have never presumed that their economic theories are historical, national, or any kind of, immutable absolute truth of principle. Marx himself viewed economic theories primarily as guides; he found it repulsive that people treated Marxism as a classic during his own life time. A half a century after the publication of the first volume of 'Das Kapital,' Lenin's well-known 'Imperialism, The Highest State of Capitalism' became the direct successor and the innovative expansion of Marxist theory on capitalist formation. Lenin's work did not diminish the importance of studying contemporary Imperialism, in fact it enhanced it because it is the example of the attempt to theoretically epitomize the various new developments and phenomena with a truly creative attitude." In the former article, the author mentioned that "if we are to analyze Lenin's theory on imperialism based on late 20th century realities, naturally we must understand reality itself and the realities of contemporary capitalism; we must rely on facts which are the point of departure for all theoretical analyses, and we must relate to the basic principles of Marxist studies." At the same time, it says, "in understanding the new phenomena consequent to developments in imperialism, we must avoid two extremes. One extreme is to take all charges as absolute. To think in terms of absolutes is to neglect to evaluate the nature of monopoly capitalism, and neglect what is important. The other equally dangerous extreme is to neglect all changes (we are the witnesses to these changes), and underestimate their ramifications." The author maintained that "the economy of the capitalist countries has developed faster in the postwar era than in the prewar era. As a result of scientific and technological revolutions their productive powers have changed qualitatively. Their standard of living has improved significantly. All these do not negate the fact that there is a growing parasitic and corruptive tendency. Increases in productive power are accompanied by economic decay: this is a typical contradiction in contemporary capitalism." Toward the end of the article, the author said "the intensification of the contradictions in capitalism and the heightening of the recent crises basically do not signify

that the resources for economic growth or for reshaping productive technologies are exhausted. Standing against socialism is an opponent which is economically powerful and which is capable of enhancing its own potential. To say that contemporary capitalism still has potential also signifies that it will continue to adapt to new situations in the world, and redesign the mechanism and techniques of state monopoly regulations; consequently, this may lead to more flexible social policies or conversely, they may become more rigid; we must not underestimate its power, its experience, and its ability to take positive actions aimed at protecting the capitalistic system."

Whether it is capitalism's "ability to take positive actions," in order to protect itself, or its "ability to enhance its own potentials," or, as mentioned in the TIME article, "capitalism's remarkable resilience," what are the manifestations of this "ability," "potential," or "resilience"? That is, how will capitalism "spend and plan its way out of the present situation" and ensure that its own downfall "is not imminent," and that it can "survive" for years to come? Drawing from the realities in postwar capitalist world and the various worthy discussions in this country and abroad, the manifestations can be roughly summed up in the following four areas:

1. Government Intervention

This is the most fundamental of all manifestations, and is the centralized and basic demonstration, or form of action, of capitalism's "resilience." The so called "government intervention" in modern capitalism is in fact "state monopoly capitalism." There are several phases to the development of monopoly capitalism. During the late 19th century and the early 20 century, most monopoly took place in the private sector, and state monopoly had only just begun. At that time, the governments in the capitalist countries acted only as agents for monopoly capital. After the great 1929-33 depression, state monopoly became more prominent. After World War II, monopoly, both in the private and the public sectors, increased significantly. Private monopoly capital became an integral part of state monopoly capital in everything from production to circulation and allocation. The bourgeoisie further enhanced the state machinery and monopolistic controls to increase government interference in the economy, not only by means of administrative measure, but more importantly, by means of economic measures. Thus, state monopoly capitalism further developed and reached a new phase. The bourgeois countries played to the hilt the role described by Engels as the "ideal collective capitalists," and "total capitalists." The government participates directly in the reproduction process of capitalism to interfere in many aspects and forms of economic life, such as in the use of fiscal policies, credit control, banking, taxation, public welfare and other policies to regulate the economy and to counter economic depressions; or in the strengthening of "international economic relations" (further internationalization of capital funds); in nationalization (as well as the return of some properties and operations to enterprises, or contracted out to privately owned companies under the "private ownership movements" in Great Britain and the United States, and the expansion of joint public and private corporations in the United States); economic

planning, as well as the study and formulation of economic development strategies (since World War II many capitalist countries have paid special attention to this area); the militarization of the civilian economy; and the launching of technological revolutions, and so on. No doubt there is a duality in government interventions under monopoly capitalism. On the one hand, from the standpoint of a long-term and fundamental trend, the transition of production relations from monopoly capitalism to state monopoly capitalism takes place within the realm of capitalistic production methods itself. The practice of government intervention under state monopoly capitalism not only cannot eliminate the basic inherent contradictions within capitalism, (the contradiction between the social nature of production and the system of private ownership under capitalism,) and all other contradictions, it only intensifies them. This is clearly demonstrated in the two most serious postwar recessions which took place in 1973-75, and 1979-82, as well as the subsequent persistent economic stagnation, fiscal deficits, high inflation rates, high unemployment rates, long-term stagflation, and the so-called "growth recession" (or inflationary recession), and other complex contradictions and problematic situations. Hence capitalist "resilience" ultimately boomeranged (I read this term in Canadian Professor Guo Huangui's [6753 3562 0964] article entitled "Asia's Challenge." Originally it came from an Australian aboriginal weapon made of wood; I have here adopted Guo's idea without his prior consent.) But on the other hand, government interference is an inevitable objective criterion for economic development under capitalism; and giving full play to the government's economic functions is the necessary condition for guaranteeing the existence and development of monopoly capital. Government interference in the capitalistic sense is basically the protection of the privileges of monopoly capital. And in order to fulfill this task proficiently, "government interference" often must consider the capitalistic society as a whole, so that it can continue to regulate and mitigate any conflicts at certain times, to a certain extent, and despite mounting difficulties. For example on 5 Feb 1986, President Ronald Reagan submitted his fiscal 1987 budget report to Congress, he said in his concluding statement that "we must find the determination in our government to face the responsibilities, and reject the requests of the special interest groups, and we must end these groups' 'era of power' in Washington; they can no longer count on the average taxpayers to bear all the burdens. This requires a high degree of political responsibility." This is a high-sounding speech; it covers up some facts and realities. But this kind of rationale is not enough. This speech also shows that as the chief enforcer of capitalistic government intervention, the President must concentrate on alleviating all kinds of conflicts, including conflicts among the "special interest groups," as well as the conflict between the "special interests" and "the average taxpayers," in order to basically protect monopoly capital by protecting, first and foremost, the privileges of a few major "special interest groups." At the same time, the United States is the most advanced among the capitalist countries, she has reached a high productive and technological standard, and has strong material and technical bases, that means she possesses substantial economic strength, which enables all forms and all aspects of government interference, and within an extended period of time, she has a lot of room for maneuvering, and a lot of potentials, and can be

adaptable; her people will not soon give up on government intervention, or regard government intervention as having reached the end of its road.

When it comes to the "theory" or policy ideology of government interventions, naturally we must mention Keynesianism first. Ever since Britain's J. M. Keynes's school of thought surfaced in the 1930's, it has quickly become the main branch among the modern bourgeois schools of economics. Since World War II, led by the United States, the major capitalist nations have embraced the Keynesian policies. The heart of Keynesian theory lies in the strong advocacy of increased government intervention in social economic lives in the monopoly bourgeois countries. It emphasizes that the government should get into the economy, and implement demand management, that is, encourage consumption and investment, and stimulate "effective demands," so as to eliminate unemployment and end recession. Keynes' theory in fact sets out to prove the necessity of government intervention from a macroeconomic theory standpoint. It conveys the idea that in face of an increasingly antagonistic social economy, the state must fulfill its economic functions to improve the capitalistic social system, and in part, adjust the productive and social relations, and only then can "capitalism be saved." Therefore we can say that Keynesianism is bourgeois economics in the era of state monopoly capitalism, and is also the inevitable product of that historical era. Since the 1930's, and especially in the few decades after World War II, even though it did not solve all basic problems, it has made considerable contributions toward capitalism and toward capitalistic countries. However good times don't last long, in the 1970's a succession of serious recessions and "stagflation" took place in the Western economy; these were new phenomena which could hardly be explained or solved by Keynesian theories or policy ideologies; that ushered in the "darkly suspicious" Friedman and his "monetarists." They denounce "government intervention" and believe that inflation is caused by the increase of money supply which far exceeds the rate of economic growth; they advocate control of money supply as the means to combat inflation. There is also another school, the "supply-side" economists, who maintain that the basic problem in the economy lies in the high tax rate which restrains and even discourages enterprise investments and personal savings, and hampers economic activities; they therefore advocate lowering the tax rates. Subsequently, there is also the New Classical Macroeconomists who expound on classical economic theories of market supply and demand and automatic price adjustments; they are no less critical of government interventions than the monetarists. Keynesianism seems to have lost its charm and has been abandoned. For example, in the United States, when Reagan first became President, he promoted the supply-side theory and declared that he would change the several-decade-old economic line and "bring the Keynesian era to an end." Or as in Great Britain, with her serious unemployment problem, Mrs Thatcher and her financial ministers are firm believers in monetarism and market economics, and they insist that they must no longer follow the bankrupted Keynesian road which will only lead them back to an inflationary track. But what are the realities? Although the prime minister and her cabinet emphasize repeatedly that the people must not depend on the government for jobs, that they must go the way of "let customers create enterprises, and let enterprises create jobs," but their critics and the

opposition party feel that the country cannot stand by and do nothing; they think that if the government modifies the macroeconomic policies, jobs can be created. The "moderates" in the Conservative Party (including former Prime Minister Heath and former Foreign Minister Pym and others), and the minority parties, the labor unions, the "British Industrial Association" which is organized by British industrialists and capitalists, each from its own standpoint, clamor for the government to increase public investment, and to stimulate industries and other basic constructions. At first Reagan stuck to the supply-side school and strongly advocated tax cuts. But within less than 2 years, he changed his mind, and in Aug 1982, he had no choice but asked Congress for a tax increase totalling \$73 billion in the next 3 years. This also showed that he has turned around and, to a certain extent, is seeking help from Keynesianism; but he tries to adapt to the new situation and "develop" the idea, and make some changes here and there. In fact, the center of Keynesian theory--the increase of government interference by the monopoly capitalist class has not lost its "validity" among some well-developed capitalist countries; and as for the monetarists, the supply-side school, or any other schools of thought, even though they have different beliefs, or they explicitly oppose government intervention, even they cannot escape from the grips of government intervention: it is only a matter of how, and to what extent. People often mention "Reaganomics," that is, the attempt to "knead together," or "blend together," or "melt together" supply-side, monetarism, and Keynesianism; or in the words of a Western economist, it is a "policy mix." Although this kind of "economics" seems a little peculiar, we should not be surprised, because after all it is an American "product of the times"; it is a product, or a reflection, of a time when capitalism and state monopoly capitalism have developed to a point where there is nothing but problems and contradictions. Take a look at the United States, it followed "Reaganomics" into frequent government interventions; for example, the government attempts to tackle the problems of stagnation, inflation, deficits, unemployment, and recession by painstakingly adjusting the various fiscal, credit and banking policies. People can see that they are caught in a vicious circle, unable to escape. And in this vicious circle, let us observe any link, for example, take the increase in government spending: the U.S. government adopts Keynesianism in its fiscal policy and therefore it has to increase its domestic public investments, especially in arms expansion and war preparations, so as to increase demands in society and encourage investments and economic development, and solve the problem of stagnation. But how can this be accomplished? Traditionally, it would mean a large increase in the money supply; it would mean inflation; but it has been proven that this would not work. Because the U.S. government has learned from past experience, in its monetary policy, it must follow the monetarists and apply tight control on the money supply, and tighten credit. Here they encounter another contradiction, and what are they suppose to do? In recent years it has followed a Keynesian fiscal policy of increased deficit spending. During fiscal 1985, the U.S. federal deficit reached \$211.9 billion, setting an historical record; it surpassed the 1984 deficit (\$185.3 billion), and the 1983 old record \$207.8 billion); and it almost tripled the fiscal 1980 deficits. According to President Reagan's budget report to Congress in Feb 1986, by the end of Sep 1987

total deficit for the fiscal year will reach \$143.6 billion; for fiscal year 1986 the deficit was \$202.8 billion. Reagan said, "in the past 25 years, we had 24 deficit years. In the last 10 years the average deficit took up 2.5 percent of our gross national product, but last year the deficit took up more than 5 percent of the GNP. This situation is abnormal and must be turned around." In his report he twice referred to the huge deficit figures as the "ominous black cloud hanging over the horizon" (or serious threat). "If this deficit is not controlled, we will be in danger of losing everything we have accomplished so far." To have to implement a fiscal policy with huge deficits, and to realize that it is a "serious threat," that is the contradiction, the vicious circle. Furthermore, in recent years, how is the United States making up for the huge deficits? In order to control inflation, the government cannot increase the money supply, so all it can do is to borrow heavily in the financial market, and implement a policy which boosts the interest rate and encourages investments. Thus large amounts of foreign capital are pouring in. Of course this helps to ease America's financial problems, but it also increases her foreign debts. According to Secretary Baldridge of the Department of Commerce, for the first time since 1914, the United States has become a net debtor nation. In the past, America was able to offset her foreign trade and her foreign investments are showing deficits. According to a 12 March 1986 Department of Commerce report, the U.S. balance of payments deficit reached \$124.3 billion in 1985 (the figure in the original 30 Jan 1986 report was \$148.5 billion). The U.S. international balance of payments situation is deteriorating. Huge financial deficits are the most critical problem facing the U.S. economy today; it leads to higher interest rates, higher exchange rates, and further exacerbates the foreign trade situation, and hinders economic growth and prosperity. This simply demonstrates that "Reaganomics" is caught in the "vicious circle" of the American economy, and is stuck in a very difficult situation. If we look at another link, for example, the value of the American dollar, there are opposing views even among the economic decisionmakers within the government. On 20 Feb 1986, the Federal Reserve Chairman Volcker advised the Reagan administration that devaluating the American dollar would jeopardize the American currency. But at the same time, Secretary Baker of the Treasury Department suggested that the value of the dollar should be lowered to ease the foreign trade deficit. Neither side was willing to compromise. Nevertheless, we cannot say that "Reaganomics" failed to solve any problems, or accomplished nothing with its "government interventions." From Keynesianism to Reaganomics, everything can basically be traced to realism. There will be other "economics" or "schools of thought," and other "ideas," and they can still handle many problems, use the right tactics to counter any situation for a long time to come. We must not underestimate the practical uses of the "opportunism" and the strategic nature of realism. Just as in the debate between Volcker and Baker, some people see that as the American government's deliberate ploy to use this kind of dialogue to bring down the value of the dollar in an orderly and steadily manner rather than allow it to drop drastically; it was a deliberate strategy. And this also shows that these are clever people who can be flexible, expedient, and adaptable; sometimes they implement direct policies, but they make use of indirect measures too. Especially for the Americans, the reason they can accomplish this is because

they basically still rely on their actual strength (economically and militarily), they have substantial "capital," and above all they can "shift their troubles onto others." Once I asked a good friend of mine, a well-known economist in this country who specializes in analyzing and forecasting Western economic crises, "if the Americans should encounter another depression like the one in the 1930's, or even a more severe one, would that mean the destruction or collapse of capitalism?" I asked. "Not yet," he said. "Then what would the Americans do?" "A New Deal!" he said. If so, that means essentially that they will still seek help from the central theory or policy ideology of Keynesianism, that is, they will further enhance government intervention. Of course they will sum up past experiences to supplement, revise, or "develop" its policies to handle new situations and new problems that may have developed in the several decades since Roosevelt introduced the New Deal. We have thus far discussed the "theories" or policy ideologies of government interventions in capitalist countries.

One aspect, or form, of government intervention is the study and formulation of economic planning, and this is an issue we must not neglect in our study of modern capitalism's "resilience," and our study of "government intervention." State monopoly capitalism has developed into the present phase where productivity has increased significantly. In order to resolve the sharp conflict between that and the existing production relations, it urgently requires the state to implement planned management and regulation of the whole production process in society. Of course, from a basic and relatively long-term standpoint, the more a capitalist government tries to interfere in the economy or implement planning and regulations, the more it will exacerbate the inherent basic conflicts and contradictions in monopoly capitalism. However, especially among the major capitalist countries, the situation has not arisen yet where we see the proletariats rise up to "blow the lid off capitalism" and install socialism, and implement comprehensive planned management of the national economy. The monopoly capitalist class still has the "resilience" and much leeway, that is, it can still strengthen the government machinery, interfere in the economy, and make partial adjustment in the existing production relations and economic structure; it can implement a limited amount of production planning and adjustments based on the capitalist market economy. In fact it is not possible to adhere exclusively to what they proclaim as "market principles"; they must, to a certain extent, "restrain" or "improve" the laissez-faire approach to capitalist social production, so that monopoly capitalism can further develop. After the war, a number of major capitalist countries have gradually paid more attention to economic planning and have achieved certain results: on the whole, Western European countries have made good progress with state-run enterprises and have implemented economic planning more broadly; in Japan the government has some success with its planning and various economic levers to manage the national economy; in the United States, they more frequently use fiscal policies, credit and other measure to interfere with economic activities. But in the TIME article mentioned earlier, in the segment entitled "The Debate Over Planning," it says, "In order to cope with the inadequacies of the market, a rising number of experts urge capitalist governments to adopt some form of economic planning.

But a grave problem is that command planning in which government bureaucrats decide how much and just what goods are to be produced, is the antithesis of capitalism. . . . Ford Motor Co Chairman Henry Ford II has called for creation of a highly visible and vocal federal planning body...." (Footnote 3) (Op. Cit., p 60) Also, another article worth noting is one entitled "The Imminent Economic Recession" by Lawrence (Matler), president of the International Commercial and Financial Corporation; it was published on 21 Oct 1985 in the CHICAGO TRIBUNE. He started out sounding furious, "a country carrying a \$200 billion budget deficit and a \$123 billion balance of payment deficit, besides an imminent and serious economic recession, what else can it look forward to? Nothing." Further, he predicted that in 1986 and 1987 the unemployment rate and the rate of inflation in America would rise, and the 1986 increase in the gross national product would slow down. "A serious recession will begin next year (1986) and deteriorate during 1987." He went on to lash out harsh criticisms: "the economists for this government as well as previous governments do not understand the need for a comprehensive economic plan that can integrate and coordinate all aspects and all factors of the American economy. On the contrary, they rely mainly on Adam Smith's 'invisible hand' (note: this writer thinks the gentleman probably does not have any neoclassical ideology or sentiment), and a grab bag full of money (the monetarists), and cure-alls (the supply-side economists), and other magical potions. In sum, American economic policy basically is the product of a passive approach driven by necessities; the government leaders and the economists are ultimately driven to take the proper steps by sheer necessity. No country should tolerate this kind of arrangement or this approach to economic policies." He went on to suggest that there are seven major factors to comprehensive national economic planning: compensation (that is, wages and salaries; he suggests that the government should implement price and wage controls); diminishing supply of natural resources (he suggests the United States should resume self-sufficiency and explore alternative resources); international trade and balance of payment situations (he suggests amending free trade policies, and that the government should have imposed tariffs and quota long ago); fiscal policy (insist on a balanced budget); monetary policy (advice against overestimating or putting too much blind trust in its effectiveness); population ('if we neglect to pay adequate attention to the issue of population control, even if the other six factors are at an equilibrium, the giant wheel of the American economy which keeps on turning will eventually sway or even topple. . . . It is in vain to hope to raise the standard of living without controlling population increase.') Finally he appealed to the public that "to kill the dragon of inflation and unemployment we must implement an unified and integral national economic plan." Obviously it is not possible to have a truly comprehensive planned society in a capitalistic country; but because of more intense concentration and monopoly in production in the postwar economy, the economy has become organized to a greater extent. This article reflects the subjective intent and inclination of some American capitalists toward stronger government intervention and planned management in the national economy: this is worth our continued attention and study.

In addition, the militarization of the civilian economy is an important part of capitalist government interference in the economy. Direct or indirect production of arms and military necessities are the main branch of productions of state monopoly capitalism. Defense industry special interest groups have become increasingly wealthy and powerful. From a basic long-term standpoint, the more the civilian economy becomes militarized, the slower will be the rate of economic growth, because arms are not everyday consumption or productive goods, nor can they be used to generate other goods. They squander society's labor power, and they absolutely take away and waste society's wealth. In those countries where military spending takes up a large portion of the gross national product, as in the United States, the level of savings and the rate of economic growth often tend to be relatively low; those countries with a small military expenditure, such as Japan, usually see a higher rate of growth. In order to maintain her military superiority, the United States is engaged in contention for supremacy with the Soviet Union, the other super-power. When President Reagan submitted his 1987 budget report to Congress, he repeatedly expressed the need to "eliminate the deficit" but "without sacrificing national defense" (his 1987 fiscal budget include an authorized military spending of \$311.6 billion): it seems the U.S. government is inevitably facing a serious conflict and problem. On the other hand, from the standpoint of a specific period of time, militarization of the civilian economy historically has been one of the important means for some major capitalist countries to extricate themselves from economic recessions, and a means to regulate the economy. Since 1933 when President Roosevelt implemented the New Deal to improve the economy, there was another crisis in 1937, the American government intensified the militarization of the civilian economy so that the Americans finally were able to escape from a recession and entered instead into war time prosperity. Some 30 years after the war, one of the main reasons that these major capitalist countries are able to achieve rapid economic developments is the stimulating effects of the arms race. Expanding arms production can increase employment opportunities temporarily and partially, and under certain situations, serve to delay economic recessions. Some military research may have other scientific, technical, and productive applications, and may be of use to the whole civilian economy. Obviously, the militarization of the civilian economy can provide certain momentum or stimulus to enable capitalism to attain certain peculiar "resilience" at times. The preceding has been a discussion of the first of four specific manifestations of capitalism's resilience: "government interventions."

Erratum: Vol 2 of this Journal, p 3 line 18: the word "Europe" should be "Asia"; p 5 line 10 from the bottom: "Third World" should be "Second World"; [JPRS-CPS-86-066 28 Aug 86 p 19, line 23; p 22, line 42.]

12986/12851
CSO: 4005/146

NATIONAL AFFAIRS

HU QILI ON GOALS OF REFORM

Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 9 Sep 86 p 4

[Text] Hu Qili [5170 0796 4539], member and permanent secretary of the Politburo, met this afternoon in Zhongnanhai with Chen Guying [7115 7849 2019] and his wife Tang Fenge [3282 7685 5760], [Taiwanese] scholars residing in the United States, and listened to their suggestions for the peaceful unification of the homeland and to their views on the academic community on the mainland.

Hu Qili replied to the questions of Chen Guying and his wife on the reforms to the Chinese political system. He said that the reforms to our political system are primarily reforms to the leadership system and are not reforms to the socialist system, and that there can be no changes made to the socialist system which the Chinese people chose through their blood sacrifices. These reforms are to strengthen and improve party leadership, not abolish it.

Hu Qili said that when we speak of reforms to the political system it is necessary to clearly and accurately see what content is actually included in the reforms, what major issues are to be resolved and what concrete steps are to be taken. We are at this moment carrying out careful research and hope that after about 1 year of effort we will be able to bring forth a relatively complete reform plan. There is considerable discussion of this issue throughout the country at this time, which is all to the good.

Chen Guying originally was a professor of philosophy at Taiwan National University and now is a research fellow at the University of California. He is lecturing by invitation for the second time at Peking University, where he lectured for 1 year in 1984. Tang Fenge recently came to Beijing to participate in an academic conference hosted by the Taiwan Alumni Association.

The meeting was attended by the concerned responsible persons Yan Mingfu [7051 2494 1788], Yang Side [2799 2448 1795], Lin Liyun [2651 7787 7291], and Hu Deping [5170 1795 1627].

11582
CSO: 4005/155

NATIONAL AFFAIRS

ACADEMIC CONFERENCE DISCUSSES ECONOMIC CRIMES

Beijing FAXUE ZASHI [JURISPRUDENCE JOURNAL] in Chinese No 5, 15 Oct 86 pp 2-3

[Article by Zhao Bingzhi [6392 4426 1807] and Jiang Wei [3068 0251]: "Summary of Academic Discussion on Economic Structural Reform and Combating Economic Crimes"]

[Text] A monographic academic discussion meeting on "economic structural reform and combating economic crimes" was jointly held by the Criminal Law Research Association of China Law Society and Beijing Municipal Criminal Law Research Society in Beijing from 2 to 6 August 1986. The proceedings at the meeting are summarized as follows:

1. Five major tasks were suggested in the general discussion of economic crimes. First, a review of the special characteristics of current economic crimes. Second, an exploration of the role and significance of criminal legislation, criminal administration, and criminal theories in combating economic crimes and protecting the economic structural reform. It was generally agreed that for the protection and promotion of the reform, stronger measures of criminal administration should be used. Furthermore, the theories of criminal law should be strengthened for the guidance of criminal legislation and criminal administration. Third, research in the general and specific policies for combating economic crimes. Fourth, an in-depth exploration of the question whether a legal entity can be the subject of a crime. On this question, the participants with opposing views presented their arguments at great length and supported their views not only with theories of criminal law, but also on the basis of the effects of law readjustment on the society. Compared with similar debates in the past, these debates represented a big step forward, and would help provoke further discussion on this question. Fifth, attention to certain questions of combating economic crimes. For example, the bias toward "substitution of disciplinary action and economic sanction for punishment" must be corrected; a clear demarcation line must be drawn between the guilty and the nonguilty and between this crime and that crime; and the crimes committed by state personnel, and by people coming from Hong Kong, Macao, and foreign countries must be severely dealt with.

2. On the offense of fraud, the discussions mainly concerned two issues:

First, special attention should be paid to the questions of determining the criminal nature of fraud through the use of economic contracts, and of the way to deal with it. Some comrades pointed out that the characteristics of fraud through the use of economic contracts are different from those of other frauds with regard to the intended victims, the methods used, the amount of money involved, and the subject of the offense; and that the harm is even more serious. The participants particularly discussed the difference between fraud through the use of economic contracts and disputes over economic contracts and believed that the way to differentiate fraud from dispute is to determine whether there is capability and sincerity on the part of the offender to fulfill the contractual obligations, whether fraudulent means were used in signing the contracts, whether there was fraudulent intent when the contract was signed, and, after the breach of the contract, whether positive remedial measures were taken, or whether there was sincerity and willingness in compensating the losses. In the discussion of fraud committed through the use of economic contracts, there were fairly widely divergent views on mainly two questions: 1) Is the act of fraud committed with indirect intention? Some comrades pointed out: Judged from practice, this kind of fraud may result from indirect intention. For example, a person may clearly understand that his failure to carry out the contractual obligations would have serious consequences and yet does nothing to prevent these consequences. Some comrades did not agree with this view. They held that if the fraudulent intent occurs in the fulfillment of a contract, it naturally indicates the purpose of the person to possess some property with illegal means, and that once this purpose is accomplished, the fraud is committed with direct instead of indirect intent. Fraud committed through the use of economic contracts is no exception. 2) Does this kind of fraud encroach on single or dual objects? Some comrades said that the use of economic contracts as a means of fraud encroaches on not only public property, but also, more important still, the socialist economic order. Therefore, offenses of this nature should be called "economic fraud," to be included in Chapter 3 of the Criminal Law, dealing with "Acts against Socialist Economic Order." Other comrades held that when economic contracts are used as a means of fraud, the direct object is the ownership of public or private property which cannot include the socialist economic order. The direct object of encroachment in a crime, its effects on other objects, and the indirect harm caused cannot be confused with one another.

Second, the question of punishment for the offense of fraud, especially the question of the death penalty for fraud. This question was dealt with in many submitted papers which held that the extent of harm through fraud far surpasses that of larceny; and that if the death penalty is appropriate for larceny and not for fraud, there must be some defects with legislation which can affect the internal harmony of China's criminal law and the force of crackdowns on serious fraud cases. Therefore, there is an urgent need to revise the legislation and to extend the death penalty for fraud. Other comrades, however, held that since fraud belongs to intellectual crimes, and in consideration of the fact that the ideology behind China's legislation is that death penalty should be strictly controlled, the scope of this penalty should not be expanded to include fraud.

3. Two major questions were discussed on corruption.

First, during the discussion, particular stress was laid on the question whether the diversion of public funds to some other use can be treated as a crime of corruption. Some comrades pointed out: The diversion of public funds to other uses cannot as a rule be treated as a crime of corruption. Sometimes, it is a violation of law or discipline, dereliction of duty, accepting bribe, or other offenses. The diversion of public funds to other uses can be treated as a crime of corruption only when all the contributory factors are of a criminal nature. Some papers specially dealt with the question of diversion of public funds to other uses by bank personnel or the persons in charge of credit, being treated as a crime of corruption. They also discussed some ambiguous points in the "Explanations of Certain Questions Concerning the Specific Laws Now Applicable to Economic Crimes" issued by the Supreme People's Court and the Supreme People's Procuratorate on 8 July 1985, and some problems which are rather prominent in practice. If, for example, the diverted public funds are used by the collectives or units, some comrades held that it can be either a crime of corruption or a dereliction of duty according to the circumstances. If the diverted funds "have been returned," some comrades held that it should not be treated as a crime of corruption according to the "Explanations" by the "two supremes." Others held that concrete analyses should be conducted to determine whether the amount of money involved is large and where it goes. Serious cases may be treated as corruption. Some comrades pointed out that "granting loans to persons using false names" under complex circumstances should be treated differently, and it can be corruption, accepting bribes, dereliction of duty, violation of law or discipline of a general nature, or a mistake in work. "Granting loans to persons who use others' names" cannot be treated as corruption. The participants also discussed, as a matter of principle, the punishment for corruption involving the diversion of funds. Many comrades held that since the corruption involving the diversion of funds is different from the corruption involving direct stealing, fraud, and embezzlement, with regard to the character and the degree of harm created, the measurements of penalty should also be different. For corruption of the diversion type, the penalty should be lighter or reduced. Some participants held that diverting public funds to some other use should be treated as a separate offense instead of being included in the category of corruption crimes.

Second, as to the amount of money involved in the case of corruption, some comrades pointed out that according to the "Explanations," and the current judicial practice, the amount involved to constitute a crime of corruption is far more than the amount involved to constitute a crime of larceny. This is contrary to the spirit of the legislation calling for severe punishment for corruption and may in practice hinder the judiciary in dealing effective blows on corruption. Therefore, the amounts involved to constitute a crime of corruption and a crime of larceny should be about the same. Some of the participants pointed out that the amount required to constitute a crime of corruption should be at least be comparable to the amount required to charge the personnel of a factory or an enterprise with the crime of larceny.

4. The following five points were discussed on the question of bribery:

First, the meaning of bribe. Some participants held that it refers to property; others held that it is limited to property and tangible material benefits; and still others believed that it includes property and the benefits of a property nature as well as other illegitimate benefits of a nonproperty nature.

Second, the receiver of bribe. First, some comrades pointed out that according to the policy dealing with crimes in recent years, besides state personnel, "the workers of other countries and or collective economic organizations can also be guilty of receiving bribes" which is even closer to the present realities of bribery. Second, can retired or resigned state personnel be independently guilty of receiving bribes? Some said "yes" and some said "no." Third, can the spouse or the other family member of state personnel be independently guilty of receiving bribe? The papers expressed both positive and negative views.

Third, the meaning of "taking advantage of official convenience." An article on this question pointed out that interpreting "taking advantage of official convenience" as "taking advantage of the convenience of power" would be too narrow in sense. Instead, it should be interpreted as taking advantage of the convenience of power and work. The so-called "convenience of work" means the convenient conditions and opportunities afforded by official duties. Does "taking advantage of official convenience" include "taking advantage of the influence of the official position of the past" and "taking advantage of the convenience of other people's official position"?

Fourth, the question of offering bribes. First, some articles pointed out: Offering bribes "for public interests," judged in light of the over-all situation, is harmful to the interests of the state and the people. It is an economic crime that is even more dangerous than ordinary bribery. It should be treated as a crime of bribery and the persons in charge or the directly responsible persons should be punished according to law. Second, the "Decision" on economic crimes of 1982 increased the severity of punishment for those accepting bribes. To deal effective blows at bribery, the punishment for those offering bribes should also be more severe.

Fifth, some comrades pointed out that the stipulations in the "Decision" of 1982, which treat the crime of receiving bribery as a crime of corruption, are improper. The harm of corruption as a crime of encroachment on property can be reflected directly from the amount of money involved, and the punishment for corruption under the criminal law also reflects this point. Receiving bribes, however, is malfeasance, and its harm is mainly reflected by the degree of damage done by the perpetrator to the normal function of the state organs and to the interests of the state and the people. The damage is not related to the amount of property received. If the punishment for receiving bribes is based on the amount of property offered and received in the same way as for corruption, it is likely that serious crimes may be only lightly punished.

5. On the question of dereliction of duty, the main points were as follows:

First, the principal manifestations and the dangerous nature of dereliction of duty at present. Some comrades discussed the principal manifestations of dereliction of duty in the economic sphere and the danger of encouraging economic crimes.

Second, the subjective form of dereliction of duty as an offense. Some held that this offense is only the result of some mistake; others held that indirect intention may also constitute this offense. Still others pointed out that the present practice of dealing with cases of dereliction of duty with party discipline or state discipline instead of criminal punishment is wrong and should be corrected.

In the meeting, Professor Gao Mingxuan [7559 6900 2537], vice president of China Law Society and secretary general of Criminology Research Association of China Law Society, summed up the discussions by the Chinese jurists on the economic structural reform and the crackdown on economic crimes, and raised three important points: First, the essential question of the possibility of any behavior harming the society must be grasped. There must be such harm before we can say whether it constitutes a crime. If we do not look at the essence of the question and indiscriminately treat some behavior, which is harmless to the society, as economic crime, it will most likely jeopardize the economic structural reform and the four modernizations. Second, we must soberly assess the area of attack. We must not only correct the practice of being too lenient, but also guard against excessive severity. We must solve this problem by studying the degree of harm caused by the behavior to the society and the effect of some suitable punishment. Third, there are some problems we are not quite certain of in the absence of any documented law or analogy. Can they be treated as crimes from the legal point of view and be duly punished? We should carefully consider and study them.

9411
CSO: 4005/188

NATIONAL AFFAIRS

RESOLUTION ON SPIRITUAL CIVILIZATION DISCUSSED

Relationship to Economic Reform

Harbin HARBIN RIBAO in Chinese 10 Oct 86 p 2

[Article by Sun Xingsheng [1327 5281 4141]: "An Overall Picture of China's Socialist Modernization; Resolutely Strengthen Spiritual Civilization; Resolutely Implement Political System Reforms; Resolutely Implement Economic System Reforms; Take Economic Construction as the Core"; reprinted from ZHONGGUO QINGNIANBAO]

[Text] "The CPC Resolution on The Guiding Policy for Construction of Socialist Spiritual Civilization" requires that we correctly understand the strategic position of the construction of spiritual civilization from the high plane of the overall picture of the construction of socialist modernization. Just what is this "overall picture"? As the "Resolution" clearly points out: "The overall picture in our construction of socialist modernization is: take economic construction as the core; resolutely carry out reforms to the economic system; resolutely carry out reforms to the political system; resolutely strengthen the construction of spiritual civilization; and moreover ensure that these several aspects are mutually coordinated and that they promote mutual advancement."

First, to construct a socialism which has Chinese characteristics and carry out the glorious goal of the four modernizations, we first must be resolved to use the greatest possible willpower in focusing our strength on carrying out economic construction. This is because economics is the material foundation of society. Only by building a solid material foundation can we perfect and finally attain socialism. Consequently, in all construction of socialist modernization, we should from start to finish support the use of economic construction as the core of each and every task.

Second, ever since the founding of the nation, the superiority of our socialist system has never attained its deserved development. In the area of economics, one major reason why is that the economic system turned into a rigid form which could not meet the demands of the social production forces. There was strong suppression of the enthusiasm, initiative and creativity of the enterprises and the broad staff and worker masses. Therefore, there must be planned, orderly, step-by-step progression in the reforms to the economic system to enable the socialist system to attain its own perfection and development. The rural reforms have already achieved enormous success, and those reforms to the entire economic system which focus on the cities are just

now spreading on relatively deep levels throughout a relatively broad area. Moreover, they have achieved obvious success. Domestic expansion and opening to the outside have brought about a situation of unprecedented liveliness. Resolute implementation of the reforms to the economic system has greatly motivated construction of socialist modernization.

Third, following the thorough development of the reforms to the economic system, reforms to the political system are imperative. Just as Comrade Deng Xiaoping said in a meeting with some Japanese friends on 3 September of this year, "After the reforms to the economic system have taken a step forward we will be aware of the necessity of reforms to the political system. If we do not undertake political reforms we will obstruct development of productive forces and hinder success of the four modernizations." If we are to construct a powerful socialist nation with a high level of civilization and a high degree of democracy, we must eradicate the phenomena of bureaucratism, non-separation of party and government, excessively centralized authority, paternalism and various special privileges, and we must establish a complete socialist political system which is extremely efficient, highly democratic, and has a complete legal system. This is the only way that we can create a political situation and social environment in which each person has peace of mind and vitality, which has unity of spirit and stable solidarity and which will promote rapid economic construction, continually develop all endeavors, promote reform and stabilize its resulting developments, train a great number of talented people, and enable the broad masses to fully use their enthusiasm and creativity. Consequently, reforms to the political system occupy a very prominent position throughout all construction of socialist modernization.

Fourth, the general task and general goal of the new period is to construct a high degree of civilization, comprised of the two aspects of material civilization and spiritual civilization. As for the two aspects of spiritual civilization, education and science, they are major organizational components of all construction of modernization, and only by marching step-by-step with them can we truly construct a flourishing and prosperous socialism. As for the ideological and moral content of spiritual civilization, they even more thoroughly permeate each aspect of social life, determine the socialist character of our spiritual civilization, determine the direction of progress for the people and of all of society. During these years the main reason why the success of our endeavors in construction of modernization and in all reforms has attracted worldwide attention is that simultaneous with our great efforts in constructing material civilization we strengthened construction of socialist spiritual civilization, thereby providing the construction and reforms with spiritual motivation, intellectual support and ideological guarantees. It is obvious that the construction of socialist spiritual civilization is a great endeavor which is related to the fate of socialism.

Because these four aspects are a unity which are intermingled, closely joined and inseparable, our party has repeatedly emphasized that construction of material and spiritual civilization must be pursued together and that they must march in step with the reforms to the economic system with mutual coordination and advancement. This will then create an overall situation for the construction of socialist modernization with Chinese characteristics.

Relationship to Open-door Policy

Harbin HARBIN RIBAO in Chinese 10 Oct 86 p 2

[Article by Xiao Li [2556 3810]: "On Mutual Promotion Between the Opening Up to the Outside and the Construction of Spiritual Civilization"; Strengthening Construction of Spiritual Civilization is the Most Effective Guarantee for Implementing the Policy of Opening Up to the Outside; Strengthening Construction of Spiritual Civilization Preserves Rational Support for Opening Up to the Outside; Strengthening Construction of Spiritual Civilization Forcefully Promotes Continual Expansion for Opening Up the Economy to the Outside and Technological Exchange"; Originally published in ZHONGGUO QINGNIANBAO]

[Text] It is easy for people to comprehend the positive role that opening up to the outside plays in the construction of material civilization, and its relationship to the construction of socialist spiritual civilization is fully understood by all comrades.

The Party's Sixth Plenary Session passed the "CPC Resolution Concerning the Guiding Policy for the Construction of Socialist Spiritual Culture" clearly points out, "Overall reforms and opening up to the outside bring great vitality to socialist endeavors and strongly promote construction of spiritual civilization." Our construction of spiritual civilization, "Must be the construction of a spiritual civilization which promotes overall reform and implements opening up to the outside." This very clearly and profoundly bespeaks the relationship between the two.

How should we understand the role of opening up to the outside in promoting the construction of spiritual civilization? First, opening up to the outside powerfully stimulates our economic prosperity, thus helping to provide better material conditions for developing spiritual civilization. Next, socialist spiritual civilization ought to be an aggregate of the quintessence of mankind's accomplishments in spiritual civilization, and implementation of opening to the outside can create an excellent external environment. This will benefit us in learning the advanced science and technology and other useful civilization of all countries in the modern world including the capitalist advanced nations, and moreover will test and develop it in practice. Finally, opening up to the outside can greatly expand the people's vision, enable the broad people and youth to understand the role and status of China in the world, understand the strengths and weaknesses of the Chinese people, trigger a powerful ideology of patriotism, further strengthen the national spirit of enterprise, and give the people a sense of responsibility. Since the 3d Plenary Session of the 11th CPC Central Committee, there have been profound changes in the people's ideological understanding and spiritual attitudes, and these changes cannot be separated from the policy of opening up to the outside. By not opening up to the outside we would reject all acceptance of foreign advanced science and civilization and then would be unable to construct a high level of material civilization and also unable to construct a high level of spiritual civilization.

On the other hand, the construction of socialist spiritual civilization, just the same, has major significance in promoting the opening up to the outside. First, a realistic strengthening of construction of spiritual civilization will form a public opinion force, value structure, cultural situation and social environment that are beneficial to the construction of socialist modernization and the overall reforms. This is the most powerful guarantee for the smooth implementation of the policy of opening up to the outside. Second, strengthening the construction of spiritual civilization and improving the ideological and moral qualities of the entire Chinese people will enable us in our opening up to the outside to remain clear-headed, support socialist policies, correctly understand the world economic and political situations, handle the various issues in the exchange of foreign economics, technology and civilization, and strongly resist capitalism. In speaking about opening up to the outside and constructing spiritual civilization there are two issues which must be clearly understood. One is that at present there exists in our society a number of uncivilized phenomena and some are definitely related to western capitalist corruption; some are a reflection of the remnants of feudal thought and it is mistake to attribute them to opening up to the outside. The second is in regard to what constitutes the corrupt thought of capitalism and what constitutes the habits and customs of other nationalities and localities, as they must be separated out rather than discussed as if they were one and the same.

11582
CSO: 4005/145

NATIONAL AFFAIRS

DEVELOPMENT OF COUNTRY'S LAWYERS DISCUSSED

Beijing ZHONGGUO FAZHI BAO in Chinese 3 Jul 86 p 2

[Article by staff reporter: "China's Rudimentary Contingent of Lawyers Score Remarkable Achievements; A Responsible Person of the People's Republic of China National Bar Association Preparatory Leadership Group Responds to Questions From a Staff Reporter of This Newspaper"]

[Text] Question: Since China restored its system of lawyers at the end of 1979, how has the development of a contingent of lawyers proceeded?

Answer: Over the past few years, our contingent of lawyers has grown significantly; at present, a rudimentary contingent of lawyers is already in place. Some 3,163 legal advice offices (or attorney affairs centers, which will be treated as one hereinafter) have already been established in various localities throughout the country. We now have over 20,000 lawyers, including over 13,000 full-time lawyers and over 7,000 part-time lawyers, and over 98 percent of our cities and counties have set up legal advice offices. Large cities such as Beijing, Tianjin, and Shanghai are equipped with professional legal advice offices which specialize in handling foreign economic affairs, maritime affairs, patents, and so forth.

Question: What have been the principal accomplishments of China's lawyers in their work over the past few years?

Answer: The principal accomplishments of the past few years are emphatically demonstrated in the following three areas:

1. Developing criminal defense, and serving to enhance socialist democracy and the legal system. Over the past 6 years, this country's lawyers altogether undertook over 500,000 criminal defense cases. Key research reveals that the majority of criminal defenses were correct. In conducting these defense activities, the vast number of lawyers adhered to "using facts as a basis and the law as a yardstick," and helped the courts to accurately assess the facts and correctly apply the law. Subsequently, this resulted in fair judgments, caused criminals to be punished according to the law, allowed the innocent to receive protection under the law, and guaranteed the democratic rights of the people.

2. Actively engaging in economic legal work and providing legal service to the cause of promoting economic development. By the end of March of this year, legal advisory offices in various localities throughout the country dispatched lawyers to provide legal advice to more than 34,000 organs, enterprise units, and individual households. During all of last year, lawyers handled over 14,700 cases involving foreign economic affairs. Over the past 3 years, lawyers have served as attorneys in litigation, mediation, and arbitration matters, have resolved on behalf of their clients over 131,000 financial disputes, have effectively protected their clients' legal rights and interests, and have promoted the smooth development of economic activities.

3. Actively providing legal service to society. Over the past 6 years, lawyers throughout the country have gained the trust of our citizenry. They have served in over 230,000 civil litigation cases, received over 6,940,000 visits from the masses, responded to over 4,412,000 legal inquiries, and drew up over 976,000 legal documents for clients. In each of the above disciplines, lawyers relied on the facts and the law, worked hard to bring an end to litigation and resolve disputes, protected the legal rights and interests of their clients, increased unity among the masses, and promoted a turn for the better in the general mood of society. The work of the lawyers has been welcomed by the masses.

Question: Why is a national bar association now being established?

Answer: Out of the need to strengthen democracy and improve the legal system. The various provinces, autonomous regions, and municipalities under the direct control of the government (with the exception of Xizang) have one after another established local bar associations in accordance with the provisions of "The People's Republic of China Provisional Regulations for Lawyers" and the circumstances surrounding the establishment of a contingent of lawyers within the various autonomous areas. In view of the fact that China's contingent of lawyers is already rudimentary in scale, it is essential that a national bar association be established and that the lawyer system be further improved, lawyer's work be further intensified, and the policy of "On the one hand emphasizing economic development and on the other hand emphasizing building the legal system" be implemented more thoroughly. As a result, we have passed through our planning phase and will formally establish the People's Republic of China National Bar Association at the first National Lawyer's Representative Congress which we plan to convene in Beijing in early July.

Question: What will be the purpose of the PRC National Bar Association?

Answer: The aims of this association are to unite the lawyers throughout the country, continuously improve the self-strengthening efforts of our contingent of lawyers, uphold the four basic principles, carry out the general and specific policies of the party and the state which pertain to lawyers, utilize the system of lawyers, help the judicial organs to build a contingent of lawyers, wholeheartedly serve the people, guarantee the correct implementation of the law, and by carrying forward socialist democracy and perfecting the socialist legal system, promote the cause of socialist modernization.

Question: What are the differences between China's Bar Association and bar associations in countries of the West?

Answer: Lawyers in the West are "professionals"; their bar associations function as lawyers' guilds. China's lawyers are legal workers for the state, and our bar association is a mass social organization composed of lawyers who, under the leadership of the judicial and administrative organs, carry out the following work: conduct ideological and political education and professional and moral education for lawyers, organize the lawyers to study policies, law, and relevant specialty knowledge, and enhance the political and professional quality of lawyers; summarize and exchange the professional experiences of lawyers, and carry out professional research activities for lawyers; support lawyers in carrying out their duties according to the law, and safeguard the legal rights and interests of lawyers; sponsor publications for lawyers, and provide lawyers with materials, information and consultation services; submit recommendations to the departments concerned in matters concerning the building of a legal system; manage projects concerned with the welfare of lawyers; and carry out exchange activities with domestic and foreign lawyers and bar groups.

13188/5915
CSO: 4005/932

NATIONAL AFFAIRS

STRENGTHENING CADRE LEADERSHIP, REFORM DISCUSSED

Shenyang LILUN YU SHIJIAN [THEORY AND PRACTICE] in Chinese No 17, 1986 pp 9-10

[Article by Ouyang Geng [2962 7122 1649]: "How to Build Up a Stronger Leadership Group Under the New Situation"]

[Text] Commodity economy is a phase that socialism cannot bypass. As commodity economy develops, S&T changes with each passing day, market conditions change rapidly, fierce competition arises in every line of commodity, and hitherto unknown conditions and problems appear. In setting up leadership groups in the new era, we must, therefore, start out from the overall strategic demand for the development of a socialist commodity economy and establish leadership collectives that have many qualities, are multilevel, and composed in rational ways, in order to meet the demands of the developing commodity economy.

1. We must courageously use innovative cadres. Mao Zedong pointed out: "Once the political line is determined, cadres are a decisive factor." Reform is a great revolution; it is an assault and challenge directed against old ways of thinking and old institutions. For the sake of this great revolution, the CPC Central Committee has drawn up a set of perfect strategic policies. To accomplish the great undertaking, we must mobilize millions upon millions of people to participate, while the most critical link is the need for a large contingent of innovative cadres with courage and knowledge, with ability and political integrity, and with boldness in breaking new ground, who will be willing to devote themselves to the cause of the reform. This demands of us to break with the worn-out concept of considering qualifications and ranking people according to seniority; we must rather select a large numbers of excellent middle-aged and young cadres to fill leadership posts. Middle age and youth are the "golden age" in human life, when conservative thinking is rare and when a person is most capable of achievements and making contributions. Judging by the middle-aged and young cadres selected from enterprises belonging to our bureau, their way of thinking is liberated, they have courage to undertake innovations, and are capable of independently thinking out and solving problems. They have great ability to observe and discern problems, and, moreover, have had certain practical experiences. The proper use of these persons has brought about striking changes in all aspects of the enterprises. If we will only deploy our cadre contingent with a view

to developing a high degree of commodity economy, we shall be able to create new outstanding achievements.

2. We must correctly deal with the merits and demerits of the innovative cadres who are to work for the reform. In dealing with innovative talents working for the reform, we must, first, give up the quest for complete perfection. We must boldly start using cadres who are strongly dedicated, who are clever and capable, have an innovative spirit, but also perhaps certain shortcomings and defects, even some who have committed mistakes, which includes persons who have committed common errors during the "cultural revolution," but are well aware of their own problems. There are indeed persons of real ability and learning, who are clever and capable people. In choosing personnel and selecting talents, we must dare to take risks, dare to enter "forbidden zones," start out from the party's undertaking and from the reform, and once we see persons who fulfill our criteria, we must not hesitate in employing them. Second, should such innovative cadres working for the reform make mistakes in their work or commit acts deserving reproach, the leading organ must not act as "commentator," but take a serious attitude, thoroughly investigate and study the case, and not take rumor for fact. Anything that is not an issue of principle, need not be seized upon without letting go; the offender must be treated with understanding, trust, and support. We must be somewhat more generous to those workers who are working for reform, protecting their enthusiasm. At the same time, we must impart well-meaning criticism and assistance, helping them to sum up experiences and lessons, encouraging them to actively forge ahead, and in actual practice "have them develop their strong points and overcome their weaknesses." Third, we must educate our cadres and the masses, correctly treat those who work for the reform, and permit them mistakes. On the other hand, we must educate those working for the reform to take a correct attitude toward criticism and suggestions from the masses. "Correct mistakes if you have made any and guard against them if you have not." In the enterprises under our bureau among five reform workers who have made a name for themselves, some have been reproached, and accusations have been made to higher authority about some. Because the party committee in our bureau adopted the above-described methods, the enthusiasm of the reform workers has been preserved, with the result that the plant director boldly continued to engage in reform, the party secretary promoted the reform, the workers demanded reform, and the government organs continued to serve the reform.

At the same time, those who, for personal gain, or out of personal hatred purposely misrepresent facts, maliciously slander and frame reform workers, those who crave nothing short of nationwide chaos, undermine the development of the reform, sabotage the reform, and malign its good name, must be severely criticized, subjected to education, and even restrained by law.

3. We must institute a system of alternating leading groups and forestall a renewal of the system of lifetime tenure. Since the readjustment of enterprises in 1982, many excellent middle-aged and young cadres moved into leading groups, which markedly raised the "four modernizations" level of consciousness among leading cadres and broke with the malpractice of granting cadres lifetime tenure. As the work of these middle-aged and young cadres unfolds and as the reform is intensified, we see that most of them prove equal

to the task or basically competent at their jobs. However, there is indeed a very small minority of middle-aged and young cadres, who misuse the power in their hands for personal gain or to benefit relatives and friends. There are also some, although less motivated by selfish desires, who perform poorly, are not actually effective, and cannot handle the heavy task of reform. In these cases we must start out from reality, uphold the cadre standards under the conditions of a commodity economy, avail ourselves of the possibility to promote and demote, and remove those who misuse power for personal gain from leadership duties, and in the case of cadres who are not competent for leadership responsibilities have them removed from their posts and transferred to more suitable jobs. Where a transfer of power is needed, this is what should take place. Where duties have to be turned over to someone else, this is what should take place, there must be no renewal of the system of lifetime tenure. At the same time, as the middle-aged and young cadres of today gradually grow older as time goes by, we must pay attention to select excellent young cadres who are continuously emerging in the course of the reform, to ensure that the cadre contingent remains composed of old, middle-aged, as well as young cadres.

4. We must have leading groups in their structure comprise a multiplicity of capabilities, which should include a mass component, multiple specializations, diversified knowledge, and a variety of age groups. The degree of mass component in a leading group is determined by the qualitative composite part represented by each specific member of the masses, as well as by the rational composition of the structure. This comprises the quality of the entire body, its capability, experience, work efficiency, and the way specialized talents are fitted into the structure. This requires, first of all, paying attention to establishing an effective overall command over talents and fitting them in in a rational way. An army cannot be without a commander-in-chief for even 1 day, but may also not have several commanders-in-chief at the same time. We must be particularly good at selecting a good hand in party and administrative matters to become the nucleus of power in the leading group. The leading group must be a perfect composition of "both civil and military officials," as the saying was, so that under the principle of democratic centralism, each specialized talent fulfills his responsibility, each person attends to his own duties, so that cases of friction are reduced, energy is prevented from being dissipated internally, and all strength of the entire body of the leading group is used on the common objective. Second, the members of the leading group must complement each other. Each person is limited in his experiences, qualifications, intellect, and vigor. There is no such thing as a "universal genius," knowledgeable in everything and capable of everything. To have a leading group constituted as an innovative body of persons, we must give attention to achieving a rational match of a variety of specialists and of representatives of various fields of knowledge. There should be vertically-oriented depth of specialized knowledge, familiarity with the field, trade, and political and economic condition of the unit in question, and clarity as to its developmental direction and struggle objective. There must also be broadness of knowledge encompassing knowledge of the various fields, in which one's unit is involved, its area, trade branch, as also knowledge of the trends in modern, newly arising S&T and their achievements. Third, there must be a rational composition of different temperaments and dispositions as between the various members of the leading group. Within a leading group,

there should be cadres who are thorough and cautious, and meticulous in their work, but also cadres who are resourceful and decisive, and quick of thinking. There should also be some pathbreakers, highly creative and with courage to rush forward with a militancy of spirit. Bringing together a group of persons of different temperament and dispositions will fill the leading group in its entirety with an abundant spirit of reform and innovation, and will also result in establishing appropriate relationships between various matters and persons. Mistakes will rarely, if ever, occur in its work, and a powerful militant collective will be created which will do whatever has to be done and stop whatever has to be stopped.

5. Degree of development of a commodity economy is to be the major criterion in assessing results of party rectification in leading groups of enterprises. The task of basic-level party organizations is to ensure energetic development of socialist commodity economy. This is determined by the party's overall task in the new era. The comprehensive party rectification has to a large degree promoted ideological development, improved the style of work, and enhanced the organizational setup in the leading groups of enterprises. Following the continuous intensification of the reform, a planned commodity economy has become China's basic economic pattern, and through party rectification the ideology guiding our undertakings has been further rectified. The energetic development of commodity economy, survival and development of enterprises under conditions of competition, better economic results, these are objectives of the comprehensive party rectification carried out under the new situation. If this point is still not yet understood by leading groups in enterprises after party rectification, if they still continue in the old conventions, do not make efforts to forge ahead, do not carry out reforms, if they allow their enterprises over long periods of time to incur losses and even get to the brink of bankruptcy, party rectification work in leading group of this kind cannot be said to have been carried out effectively, even though the members of the groups are possibly free of corruption and their members all polite and amiable persons. By making economic results of an enterprise and its effective development of commodity economy a main part of our evaluation, we are making these factors the major criteria for an assessment of party rectification work. During party rectification, every leading group should establish reform consciousness, commodity consciousness, and through party rectification promote the development of the commodity economy in its enterprise.

In sum, under the conditions of a commodity economy, how to strengthen leading group structures is a new task faced by China's party committees and organizational departments at all levels, as such strengthening is organic assurance of success in our reform. This entails theoretical as well as practical problems. If we will only show boldness in our exploration, show courage in our practice, we will be able to find a new road that will have the composition of leading groups in the new era suit the needs of developing a commodity economy.

9808
CSO: 4005/173

PARTY COMMITTEE, PLANT MANAGER RELATIONS

Beijing LIAOWANG [OUTLOOK] in Chinese No 38, 22 Sep 86 pp 18, 19

[Article by Ren Dazhang [0117 1129 4545], party committee secretary of the Shanghai No 3 Radio Plant, edited by Yan Weimin [0917 5898 3046]: "How To Be a Good Enterprise Party Committee Secretary: Properly Handle Conflicts, Emphasize the Task of Guarantee and Supervision"]

[Text] Since the implementation of the plant manager responsibility system in our plant last January, the enterprise has entered a new orbit. Under the new system the ability to coordinate relations between party and management and resolve conflicts in the workplace is the key to the success of the plant manager responsibility system. Our approach to resolving various problems in the workplace is based on the principle of "division of responsibility, unity in ideology; division of labor, unity in goal; division in system, unity in relationship."

1. When the plant manager encounters an unfamiliar task the party committee does not insist on a division of labor and stand by with folded arms but rather offers enthusiastic assistance and seeks solutions. For example, one of the major problems encountered by the plant manager is the appointment of cadres. This is an area unfamiliar to a plant manager who is used to more technical work. Therefore the party committee approaches the plant manager to work on the appointment program and set up mid-level cadre study classes according to the ideological needs of the cadres to help them correct their thinking and prepare them for their jobs. At the same time the committee supplies the plant manager with information about the cadres and requests the labor union to submit evaluations of individual cadres prepared by the staff and worker representatives. These steps guarantee the successful completion of the task. Because they are inexperienced, some supervisory cadres and technical or administrative cadres in leadership positions may have faults in their ideologies and work methods. Often these lead to conflicts at the workplace and cause disharmony in the organization. We discuss these problems with the plant manager and subsequently training courses for new cadres are held to improve their ideological and professional standards to help them adjust more readily to the demands of their new positions. That guarantees the expeditious implementation of the plant manager's orders.

2. When the plant manager encounters obstacles in his attempt to implement reforms, the party committee makes a clear stand to support the manager's

correct decision and creates the right opportunities to guarantee the successful implementation of the reforms.

In order to accommodate the process of restructuring the economic system, the plant manager considered long-term development goals and made policy decisions on establishing lateral economic relations, but many people did not understand this policy and accused him of "draining the profits" or of being the "prodigal son." The party committee publicized the significance of economic cooperation and also twice sponsored informal meetings of the cadres and the people and let the plant manager explain the intent of his policy. The action won the people's confidence in the plant manager and their understanding of lateral cooperation and guaranteed the implementation of the reform. The plant manager, in expressing his gratitude, said: "The implementation of this decision was due largely to the help and support of the party committee."

3. When the plant manager's orders are not fully implemented the party committee must defend his vested authority.

When the plant manager responsibility system is implemented, the manager becomes the "conductor of the orchestra," but often the conductor has only the title but not the authority, or the authority but not the power, and he is unable to conduct the orchestra effectively. Therefore, in order to ensure that the plant manager has the power to direct production and operation activities, a crucial responsibility of the party committee is to uphold firmly the vested authority of the plant manager.

Because the plant manager and the mid-level cadres in the technical or administrative department have different types of work, their methods of thinking and their approach to problems are also different. Sometimes the orders of the plant managers are not fully understood by the cadres, and this often has an adverse effect on their prompt implementation. Under this situation the party committee must work on the cadres and explain the orders and at the same time point out that as subordinates the cadres should follow the orders of the plant manager so long as they are not a matter of conflict in principle, and the subordinates must conscientiously defend the vested authority of the plant manager.

4. When there is a difference of opinion between the plant manager and the committee secretary, the opinion of the plant manager must be respected.

In everyday work situations sometimes there are differences of opinion between the party and administrative cadres. For example, early this year the plant manager discussed with me his plans to set up a processing plant in Shenzhen to bring in foreign currency. At that time I thought that conditions in Shenzhen were not optimal, situations there tended to be changeable, and trends were difficult to forecast. Furthermore, our plant had a previous bad experience in Shenzhen, and I was not inclined to rush back there to set up a plant. However, the plant manager considered the trends inside and outside the country and the future of the electronics industry as a whole and concluded

that it was the best time to set up an outpost in Shenzhen and convert the plant's domestic-type production to export-oriented operations. After the discussion, although I was not fully rid of my worries, I was convinced that the plant manager knew more about production and operations than I, and that he had a better grasp of business trends. Besides, operational decisions are the responsibility and the prerogative of the plant manager, and the party committee secretary must respect the manager's authority. Afterwards I met with the plant manager again for further discussion; I extended my support and expressed the hope that he would organize diligently and proceed cautiously, and at the same time I urged all departments to lend their support. At present, after 5 months of hard work, the processing plant is beginning to show results and is exhibiting great vitality.

5. If the plant manager does not discuss major issues with the party committee, the members should not complain, or criticize, but should take the initiative to exchange views with the plant manager.

Normally the plant manager would notify the party committee of personnel arrangements, major operational decisions, and other significant allocation plans, and solicit suggestions from the party committee. However, occasionally the manager, due to his heavy workload, may neglect to do so. For example, last year, in allocating the year-end bonuses, because of pressure from the staff and the workers as the Spring Festival drew near, the plant manager instructed an administrative leader to formulate the allocation plan. The party committee learned from other channels of the relatively large bonuses. I met with the plant manager to suggest that he might want to reconsider, avoid awarding too much too soon, and consider conserving for future shortages; I suggested that it might help to increase the worker's zeal. The manager agreed, and he modified the original plan.

6. In case of administrative errors the party committee should share the responsibility with the plant manager.

Certain mistakes at work are unavoidable, and if administrative errors should occur, we must make constructive suggestions and at the same time work with the administrative cadres to find the causes and seek solutions. Earlier this year, because of busy production schedules, certain safety measures were neglected, and on several occasions there were mishaps. The workers and the staff were upset. On this matter I suggested that the administrative cadres meet to study and clarify the situation, analyze the causes, draw from the experience, and formulate proper measures. At the same time I took part in discussions on safety issues and analyzed our own insensitivity within the party committee and our failure to conduct proper worker safety education. We also made specific proposals on how to strengthen education, enforce the responsibility system, and conduct strict inspections and verification.

12986/12851
CSO: 4005/106

NATIONAL AFFAIRS

INTERVIEW WITH CPC COMMITTEE SECRETARY OF TEXTILE MILL

Beijing LIAOWANG [OUTLOOK] in Chinese No 38, 22 Sep 86 p 19

[Article by Hua Huiyi [5478 1920 3015]: "Be a Good Plant Manager, Heed the Advice of the Cadres; An Interview with Zhou Mengfei [0719 1125 7378], CPC Committee Secretary of Nanjing Textile Mill"]

[Text] "Whether a plant manager has the authority to appoint and dismiss cadres is the key to the healthy progress and the total success of the plant manager responsibility system," Zhou Mengfei, CPC committee secretary of the Nanjing Woolen Textile Mill, came straight to the point and told the reporter. The Nanjing Woolen Textile Mill was among the first group of enterprises to undergo trial implementation of the plant manager responsibility system in 1984. For over 2 years relations between the party and the administration have been harmonious; the plant is full of energy, and production is on the increase. The 46-year-old party committee secretary has her unique opinion about what role the party committee should play in this plant manager responsibility system.

Zhou Mengfei said that some comrades do not understand the compatibility between the principle of party supervision of cadres and the plant manager's personnel appointment authority. Some people assume that if the plant manager has the authority to engage workers, then the principle of party supervision of cadres can be disposed of, and if that principle prevails, the plant manager's authority to appoint workers cannot be guaranteed. Zhou said that to assume a rivalry between the two is a prejudiced view. She said that the party committee is the ideological and political leader of the enterprise, that is, it guarantees and supervises the implementation of various general and specific policies of the party and the state. Party supervision of cadres, of course, does not mean that all cadres are appointed or dismissed directly by the party organizations. Therefore, in enterprises where the plant manager responsibility system is implemented, party supervision of cadres and the plant manager's authority to appoint or dismiss administrative cadres are not in conflict. The measure only facilitates implementation of the party's cadre policy and facilitates the production and operation activities of the enterprises.

After the implementation of the plant manager responsibility system, how is the principle of party supervision of cadres being manifested? Zhou said that

based on the experience at the mill, there are three basic areas: First, in the proper grasping of the party's cadre policy, that is, we supervise and ensure that the manager promotes or appoints only those mid-level cadres who satisfy the needs of the cadre's "four modernizations" policy, who have integrity and ability, and who truly merit the appointment. Second, in cadre education, the party committee adopts different formats to educate cadres in the basic Marxist theories and the party's general and specific policies and to educate cadres and party members in party spirit, party discipline, and party workstyle to improve their understanding of those theories and their work abilities to meet needs as production expands. The party committee is duty-bound to help those cadres who have made mistakes or have serious work problems. Third, in cadre evaluations, besides being familiar with the routine performances of the cadres and obtaining feedback from the people, the party committee also forms a cadre evaluation group represented by members of the party committee and delegates from the workers' congress. Every year, they conduct a comprehensive review of the mid-level cadres to evaluate their merits and deficiencies at work. Such evaluations serve as references in the plant manager's appointment and dismissal decisions.

Since the decisions of mid-level cadre appointment and dismissal lie with the plant manager, does that mean that the party committee secretary has no influence on the plant manager's specific personnel decisions? Zhou said that it is by no means so. She feels that the plant manager's authority to choose specific personnel must be respected, but that does not mean that the party secretary should be indifferent. Instead, one should take the initiative to offer assistance in making those decisions and serve as an advisor in exercising that authority. In her experience, she always holds discussions and exchanges ideas with the plant manager before he promotes, appoints, or dismisses a mid-level cadre. She gave two examples to demonstrate the role of the party secretary as the advisor and the benefits of a manager's proper exercise of his personnel appointment authority: on one occasion, the plant manager was considering the promotion of an average cadre to a mid-level leadership position to meet certain needs in the workplace. This cadre had certain work abilities and probably could handle the position. But Zhou and the other members of the party committee felt that he was inclined to promise more than he could deliver and he had a weak concept of the masses. Zhou suggested that these faults be remedied before considering him for promotion. Upon further consideration the plant manager agreed with the committee secretary and the other members of the party committee. The other case involved the No 1 spinning room where productivity was persistently low and was holding back the whole mill. The plant manager decided to make comprehensive changes in the leading groups there. After the manager announced his plans, Zhou met with the other members of the party committee to discuss the plan and to improve and perfect the rectification program. After the new leading groups were formed, Zhou enlisted the help of the administrative cadres from the political task organization to assist the cadres in the new situation. Within 2 months, the No 1 spinning room showed great improvements in production management, equipment maintenance, and labor discipline: the average daily production rate in June was more than 10 percent higher than in April.

12986/12851
CSO: 4005/106

NATIONAL AFFAIRS

PLANT DIRECTOR RESPONSIBILITY SYSTEM, PARTY LEADERSHIP

Beijing LIAOWANG [OUTLOOK] in Chinese No 40, 6 Oct 86 pp 24-25

[Article by Chen Fang [7115 2397]: "Three Views on the System of Plant Director Responsibility"]

[Text] The plant director responsibility system was first tried out in 1984, and trial operations have by now been conducted for almost 3 years. Up to the present, over 27,000 industrial enterprises throughout the country have been approved to try the system out. Practical experiences in these test enterprises show that the Central Committee's decision was correct. Only by abandoning antiquated concepts and adopting new concepts in our approach to the issue can we accurately recognize the major significance of our reform in the leadership system of enterprises.

The New Situation Demands Implementation of the System of Plant Director Responsibility

Some have said: "Isn't it already quite a good system to have plant director responsibility under the leadership of the party committee? Why change to a plant director responsibility system? What, after all, are the advantages of the new enterprise leadership system?" It is understandable that these questions were asked, since people had been under the influence of the old concept, the old system of plant director responsibility under the leadership of the party committee having been practiced for over 20 years following the founding of the PRC. The issue should be viewed in its historical perspective. First, we have to admit that the plant director responsibility system under the party committee did fulfill positive functions under certain historical conditions of the past. However, we must also acknowledge that that leadership system existed in name only. The so-called "leadership by the party committee" actually turned functions of the enterprise party committee, which is a political organization, into functions of a production and business management organization. What was called "plant director responsibility under the party committee" was in actual fact a system of party secretary responsibility. In all large and small affairs of production and business management the party secretary had the final say, and the word of the plant director counted for nothing. This is what people meant when they said that there is "no separation between party and enterprise administration, and that

the party acts on behalf of the enterprise administration." In the wake of our economic structural reform during the last few years, this old enterprise leadership system became more and more incompatible with the demands of the reform and detrimental to development of socialist commodity economy.

Implementing the system of plant director responsibility is, first of all, an objective demand of the reform toward a stronger modern, scientific management of enterprises. Key link in the present reform of the economic structure in cities is invigoration of enterprises. Invigoration of our enterprises requires an appropriate separation of management power from proprietary rights. Enterprises should cease being mere appendages of administrative organs and become relatively independent economic entities, socialist commodity manufacturers and dealers with full authority for their own management and full responsibility for their own profits and losses. This will turn enterprises into legal persons with certain rights and obligation of their own. Who should represent the legal person and exercise authority in enterprises owned by the whole people? This can only be the plant director who is entrusted with authority by the laws of the state, and not the party secretary or any other person. The system of plant director responsibility means that the plant director is the legally provided representative of the enterprise, that he should exercise unified leadership, directing production and managing business operations, and that he should bear overall responsibility. The further existence within our new economic structure of plant director responsibility under party committee guidance would certainly impede the plant director in exercising, as representative of the legal person, decision-making power and business management rights in the enterprise, as well as his right to direct production and to appoint and dismiss administrative cadres. The system of plant director responsibility has indeed grown out of the demands of the new situation; it had become an objective necessity that demanded a reform of the enterprise leadership structure corresponding to the structural reform of the economy.

The system of plant director responsibility is also an objective demand on our enterprises to work for a socialist commodity economy. In the new economic structure of a developing commodity economy and of fierce competition in the market, and in the face of serious challenges from the new technological revolution in the world, it is even more necessary to have as legal representative of enterprises persons who are clear-headed, sensitive to information, capable and equipped with full authority, with imaginative minds, and capable of decisive actions. They must be capable of controlling with full authority a unified, powerful, and highly effective production and business management system, so as to impart a full measure of vitality to their enterprises and achieve rapidly increasing economic results. After somewhat over 700 enterprises in Shanghai introduced the system of plant director responsibility, broke free from the old setup of the party committee occupying the key position in the enterprises, and after they instituted the new system of plant director responsibility, the enterprises took on an entirely new atmosphere of effective leadership, decisive, and highly efficient operations. Similar results were achieved in several other cities with the adoption on trial of plant director responsibility systems. The facts eloquently prove: Today's leadership structure in enterprises is

indeed best served by adapting to the new situation and instituting the system of plant director responsibility.

The System of Plant Director Responsibility and Party Leadership

Some have said: "By changing from plant director responsibility under the leadership of the party to the system of plant director responsibility means abolishing party leadership." Is this viewpoint not confusing "party committee leadership" with "leadership by the party"? They assume that leadership by the party means that the party committee in the enterprises should directly control production and business operations, as well as employment and dismissal of all administrative cadres, which is obviously a misinterpretation of the leadership of the party. Party organizations within the enterprises are political organizations of the vanguard of the working class, not organization with powers to order the masses about, nor administrative or production organizations. The party organization cannot and must not take the place of the plant director and directly direct enterprise production and business management. Upholding the leadership of the party is the core of the four cardinal principles. We are determined to uphold the leadership of the party in all our undertakings, and industrial enterprises are of course no exception. The question is how is leadership of the party realized? It is realized in a variety of ways. By ensuring their supervisory role and strengthening party building and leadership in ideological-political work, party committees in enterprises may be said to be partially realizing party leadership in enterprises. Party leadership in enterprises consists, first of all, in an implementation in the enterprises of the line, principles, and policies laid down by the party's Central Committee. The responsible organs of the enterprises and the departments controlling their cadres are selected according to the party's cadre policy; the employment and dismissal of plant directors and other leadership personnel is also a way in which party leadership of enterprises is realized. Plant directors are striving hard to invigorate the enterprises according to the policies and decrees of the party and the state, and they uphold a socialist business orientation in the enterprises, which facts must also be regarded as realizing party leadership in enterprises. The question of party leadership also touches on the principle of the party being in charge of cadres. This principle must not be simply interpreted as meaning that all cadres within an enterprise are to be directly employed and dismissed by the party committee in the enterprise. To ensure organizationally effective implementation of the responsibility system, the plant director must have the right to manage all personnel affairs. By requiring that the plant director exercise personnel management according to the party's cadre policy and cadre standards, this too amounts to realizing the principle of party control of cadres and may be considered realizing party leadership in enterprises. To sum up, the system of plant director responsibility must not be set against upholding the leadership of the party.

Implementing the system of plant director responsibility not only does not abolish party leadership in enterprises, but helps to improve party leadership. The anomaly that existed for many years in the work of enterprise party committees, expressed in the saying "the party does not take care of the party," actually weakened party leadership. The separation of party and enterprise administration had the beneficial effect of allowing the party

committee to turn its concentrated energy and primary attention to ideological-political leadership in the enterprises, ensuring its supervisory functions, supporting the plant director in his efforts to achieve the objectives for which he is responsible during his tenure of office and in his unified direction of production and business management, to the strengthening of party building, to development of a socialist spiritual civilization, and to ensuring that the tasks of enterprise reform, production, and business operations will be smoothly accomplished. We, therefore, have to change our traditional concept of "the party committee exercises leadership in everything," and must arrive at a new concept of division of labor between party, enterprise administration, and the masses, expressed in the saying: "harmoniously singing together the same tune." The three parties should be separate in functions and responsibilities, together in ideology, separate in spheres of work, together in objective, separate in their systems, together in work relations, thus forming a combined force working with one heart toward effective achievement of the two types of civilization. This is also a major task in the reform of our political structure.

The System of Plant Director Responsibility and Democratic Administration With Staff and Worker Participation

Some say: "The system of plant director responsibility is bound to weaken the status of staff and workers as masters and of democracy in enterprise administration." This is setting unified leadership and overall responsibility by the plant director against democratic administration with staff and worker participation. As a socialist country, China's very nature determines that staff and workers are masters of the state and of the enterprises. In socialist enterprises, the plant director and the entire body of staff and workers are all masters of the enterprise; there is only a difference in the way work is allotted, but no difference in basic interests. This status of masters is also evident in the leadership structure of the enterprise. The representative assembly of staff and workers is the organ through which staff and workers exercise their right of democratic administration. The assembly has the right to deliberate on major policy decisions of the enterprise, and the right of supervision over administrative leadership cadres, also with regard to the protection of the legitimate rights of staff and workers. It is precisely this status as masters and their right of democratic participation in the administration that is one of the distinguishing characteristics of socialist enterprises compared with capitalist enterprises. If the system of plant director responsibility is presently not yet very effectively implemented in certain experimental enterprises, and if certain leading cadres still maintain a rather seriously bureaucratic style of work, these problems will gradually be improved in the course of future practice and must not be attributed to the system of plant director responsibility itself.

The system of plant director responsibility does not mean at all that the plant director may abuse his powers and decide dictatorially without asking anybody. A wise plant director will always be apt at basing his decision-making power on a full reliance on collective wisdom and democratic management. According to the experiences in experimental enterprises, these enterprises have in general set up factory administration committees,

organized with the plant director as chairman, and with responsible officials of the party, the trade union, and the youth league, as well as the chief engineer, chief economist, chief accountant, and representatives from the staff and worker representative assembly attending. The committee is to assist the plant director in carrying out policy decisions by deliberation and discussion of major issues in the production and business operations of the enterprise, while the final decision is still made by the plant director. This pattern and procedure of decision-making, on the one hand, functions to an extensive degree to guide the plant director to first have consultations before making his decision, it can also in a large measure function to provide a brain trust of experts, function to ensure the party organization's supervisory role, and function as enabling participation of the staff and workers delegates in the management, so as to have the policy decision attain a greater measure of comprehensiveness and accuracy.

9808
CSO: 4005/174

NATIONAL AFFAIRS

PRINCIPLES FOR INTERPARTY RELATIONS DISCUSSED

Chengdu MAO ZEDONG SIXIANG YANJIU [STUDIES IN MAO ZEDONG THOUGHT] in Chinese No 3, 1986 pp 45-48

[Article by Ma Mingtang [7456 7686 2768], Party Committee of Huaifang City, Shandong Province: "Renewed Study of Deng Xiaoping's 'Important Principles for Dealing With the Relationship to Fraternal Parties'"]

[Text] With courage, insight, and boldness of vision of a proletarian revolutionary and strategist, Comrade Deng Xiaoping, by seeking truth from facts and creating order out of chaos, has unequivocally corrected certain errors in the CPC's handling of relations with fraternal parties. In his article "Important Principles for Dealing With the Relationship to Fraternal Parties" (hereafter, for short: "Important Principles"), he pointed out: "In the affairs of every country, there has to be respect for the party and for the people of the country in question; it is they who must solve their problems by seeking and exploring their own way. Any other party must not assume the role of paternal party and issue them orders." (Footnote 1) ("Selected Writings of Deng Xiaoping," p 279) This indicates that in the important issue of the CPC's way of handling relations with fraternal parties order has been achieved in what had been a chaotic situation. It marks reestablishment of the CPC's Marxist line in foreign relations and policies, and presents a completely new appearance of the CPC and of China in the eyes of all the peoples of the world.

I. The important principles for dealing with the relationship between the CPC and other fraternal parties, which Comrade Deng Xiaoping has put forward, have been presented as a continuation of the CPC's consistent stand, based on a conscientious review of relevant historical experiences and lessons, a grasp of the overall world situation, and an absolutely sober analysis of the deep changes in the international situation and in our common international fate. They conform completely with the principles and standpoint of the CPC, and accord absolutely with the new changes in international relations, reflecting also the CPC's endeavors to promote human progress and its earnest desire to develop relations with fraternal parties in all countries.

The CPC has all along held that the revolutionary and constructive undertakings of fraternal parties are enterprises of international character and deserving of mutual assistance. However, to accomplish these

undertakings, it is necessary that the party of each country find a firm basis in its own country, rely on the revolutionary strength and on the power of the masses in its own country, and effectively manage its country's own affairs. Mao Zedong has consistently emphasized that in defining our policies we must start out from our own strength as base point, and that we must seek out a road of progress that is suited to China's conditions. He also firmly maintained this stand in his attitude toward other fraternal parties. As early as 1960, Zhou Enlai emphatically pointed out: "Revolution and construction in a country must rely on being independently thought out by that country itself. Only by being thought out by the country itself, can recurrence of bad experiences made in other parts of the world be avoided, and can that country recreate the good experiences of the whole world within its own boundaries." (Footnote 2) ("Selected Works of Zhou Enlai" Vol 2, p 301) These accurate views held by the CPC have already gained the trust and support of all fraternal parties and contributed to closer friendly relations with all of them. However, we find, on reviewing the history of the CPC, that there have been twists and turns as well as errors in the course of these relationships. At one time during the 1960's, under the direction of a "leftist" erroneous ideology, we engaged in overcritical faultfinding, unwarranted by the true facts of the situation, toward some fraternal parties. Especially during the "cultural revolution," serious damage was wrought by Lin Biao and the "gang of four" on relationships with other fraternal parties, leading even to the disruption of normal relations with certain ones. The important principles for dealing with the relations to other fraternal parties proposed by Comrade Deng Xiaoping are summation of all positive and negative historical experiences during the CPC's relationship with fraternal parties in various countries.

With the 1980's, countries of the world are facing new difficulties and new challenges, but are also manifesting new options and a new awakening. The demands for peace, independence, development, and autonomy constitute a trend that is irresistibly surging forward in the flow of history. Freedom movements, workers' movements, and other progressive mass movements continue to grow in every country. Communist parties and workers' parties in many countries as well as many socialist countries are gaining greater maturity as they continuously reflect over the historical past. Under these historical conditions, a most basic positive factor of greatest vitality has been engendered, namely the spirit and attitude in a growing number of communist parties and workers' parties, in power and not yet in power, to topple old idols, liberate thought, "start up the engine," engage in independent thinking, take decisions on their destiny into their own hands, and to design by themselves the blueprint of their future, to raise themselves to become one member in the forest of the worlds nations. This is the new hope of mankind, the splendid dawn of a new century, and a decisive factor that will play a far-reaching role in the whole world's historical development. The "Important Principles" put forward by Comrade Deng Xiaoping stand at the start of this historical trend for worldwide independence and autonomy; they were put forward as a summation of the past, an accurate perception of the present, and as our orientation for the future. They are product of the intensified changes in modern international relations, product of the flourishing development of the international communist movement, and product of a great epoch.

II. Proletarian internationalism is the lofty ideology and a sentiment of unequalled purity of the world's proletariat and proletarian political parties, engendered by the commonness of class status, fundamental interests, and social ideals. It is a spiritual pillar of mutual ties, mutual support, harmonious coexistence, and sharing of weal and woe. The "Important Principles" put forward by Comrade Deng Xiaoping are not at all merely general conclusions drawn from particular or superficial international phenomena. They are a new concept based on an overview of the entire sphere of new international relations and oriented toward mutual relations between the communist parties and workers' parties of all countries. They replenish and enrich the ideology of proletarian internationalism.

First, he advocates respect for the independence and autonomy of fraternal parties in all countries, which, basically, means respect for a country's "integration of the universal principles of Marxism-Leninism with the specific practice of that country," carried out by each fraternal country in independence and self-determination. Comrade Deng Xiaoping pointed out: "Conditions in various countries differ in thousands of ways, the degree of political awareness differs between different peoples, there is also a great difference in internal class relations and in the balance of class forces. How could we insist on applying a fixed formula to all of them? Even if it were a Marxist formula, it would unavoidably lead to errors, if not integrated with the practice of the specific country." (Footnote 3) ("Selected Writings of Deng Xiaoping," p 278) Differences in political awareness, internal class relations, and the balance of class forces, which he refers to, are fundamental factors of the national conditions of every country. Communist parties in all countries accept the fundamental principles of Marxism as their guide. On the basis of characteristics realized and laws gained through an accurate analysis, recognition, and grasp of the basic factors at each stage of their own country's development, these countries will formulate, in independence and self-determination, the basic national policy that suits the national conditions of their own country. They will in this way impart national character and concrete substance to the universal truths of Marxism in a specific country. This is the sacred and inviolable political right of each and every communist party, as it is also the basic mark of political maturity of a party. Every single communist party must, therefore, accept as its own guiding principle in upholding proletarian internationalism the support and defense of the right of every other fraternal party to determine and adopt by itself the political line, principles, and policies endorsed by its own people. There must be no judging of the rights and wrongs of other parties by the likes and dislikes or criteria of one's own party. There must be no attempts to restrain or standardize activities of other fraternal parties according to "fixed formulae." This is the only way that the political line, policies, revolutionary road, and social system will find acceptance by the country's own people, and that will enable formation of a powerful social force which will transform society, change reality, and impel historical progress.

Second, he advocates mutual assistance among fraternal parties. The most fundamental characteristic of this is support for the party of every country in resolutely going its own road according to the appropriate pattern which

that particular country itself has mapped out for its revolution and construction. After summing up the historical experiences in China's revolution, Comrade Deng Xiaoping set forth the following principled stand of the CPC: We are not at all demanding that other developing countries adopt our pattern of revolutionary progression, and "must even less demand that the developed capitalist countries adopt China's patterns. We cannot, of course, demand that all these countries adopt the Soviet pattern." (Footnote 4) (Selected Works of Deng Xiaoping," p 278.) History has proven that a fixed road or ready-made pattern, which would suit the reality of every country's and every political party's revolution and construction, actually does not exist. In our present era, we must under no circumstances deny any country's party the right to go its own way, for just the reason that all fraternal parties indeed uphold in common the communist orientation. Particularly, if a party has created, under the guidance of Marxist principles, a very successful revolutionary and constructive pattern, we must not use this pattern as capital to order everybody else about, nor must we demand that every other party adopt this pattern, but we should rather welcome it if parties in various other countries express dissent and do further explorations with regard to any pattern whatsoever. In its relations to other fraternal parties, no party must under any circumstances deny the strong points and superiorities of another fraternal party, or do anything to unsettle the resolution and faith of another fraternal party in its all-out struggle according to its own construction blueprint. In this changeable and grim international situation, Comrade Deng Xiaoping, showing great foresight, penetrating thought, and mature consideration, strongly emphasized that each party should support all other fraternal parties in going resolutely their own ways, avoiding those huge losses that have been brought about by indiscriminately copying patterns coming from outside or accepting them as ready-made patterns. Acting in this way is highly responsible action not only for the future of the CPC, but also for the fate of the entire international communist movement.

Third, he advocates allowing all fraternal parties, when establishing their own road of progression, or shaping and consolidating their own social systems, to engage in explorations, and even to commit errors in the course of such explorations. If mistakes are made, it is also the country's own party and people that must bestir themselves to correct them. The revolutionary undertakings of the communist parties and workers' parties in the various countries are great enterprises that attempt transforming the old world and create a new world; they are completely new enterprises, never before attempted by mankind. In the course of pursuing revolution and construction, it is therefore unavoidable that every party may commit this or that error, even serious mistakes, precisely as Comrade Deng Xiaoping pointed out: "A party can hardly avoid making mistakes. If a mistake is made, it must be the party itself that should review the facts and correct the mistake; this is the only reliable course of action." (Footnote 5) (RENMIN RIBAO 30 April 83) Especially in case a party has indeed committed an error and suffered reverses, no other party has the right to make unwarranted charges, even less the right to apply pressure and harm the willpower and determination of a party to overcome its difficulties and correct its mistakes. What is necessary is rather to consciously create an excellent international climate, conducive to having the erring party, without being subjected to the control

of any outside force, review the source of its mistake, become aware of its failure, and all by itself lead its own people forward again toward renewed advance.

Fourth, he advocates that in regulating relations with other fraternal parties, the party of each country take a clear-cut stand against hegemonism, and energetically launch earnest and sincere self-criticism. Opposition to hegemonism is the fundamental guarantee to safeguard and uphold proletarian internationalism; it is the militant banner of a proletarian political party. In the world of today, it is only by creating a political climate of mutual noninterference in internal political affairs that the communist parties in the various countries can select, according to the wishes of their own people, their own political system and lifestyle. To this end, Comrade Deng Xiaoping incisively pointed out: "If the foreign policy of a party and of the state led by this party interferes in the internal affairs of another country, acts aggressively or subverts another country, then any other communist party may voice objections and criticism." (Footnote 6) ("Selected Works of Deng Xiaoping," pp 278-279) This particular proposal of his ensures and protects, fundamentally, the political right and international obligation of the parties and people of all countries to oppose hegemonism. It also signifies to the people of the whole world: Chinese communists have all along raised high the militant banner of antihegemonism and will never yield to any kind of pressure from hegemonism. Comrade Deng Xiaoping is not only including antihegemonism in the principles of dealing with the relations to fraternal parties, greatly enhancing militancy of proletarian internationalism, but is also consciously using criticism and self-criticism, the ideological weapons of Marxism, to uphold the great practice of proletarian internationalism. In his "Important Principles," he publicly engages in self-criticism as regards certain twists and turns as well as mistakes that have occurred in the past in the important international issue of the CPC's handling of relations with fraternal parties. This forcefully demonstrates that Chinese communists are earnestly summing up historical experiences and lessons, and that they are open and aboveboard, and show openhearted sincerity, in their dealings with the communist parties and workers' parties of all countries.

III. The great principles which guide the correct handling of relations with fraternal parties, put forward by Comrade Deng Xiaoping, are founded on a thorough understanding of the history of the international communist movement and the laws of human social development. They are deeply rooted in the fertile soil of historical materialism and dialectical materialism of Marxism. In his theoretical and practical accomplishments in the CPC's foreign relations, he fully manifested the creative initiative of a Marxist theorist who respects the people and also manifested the lofty character of one who respects history and the laws of social development.

Deng Xiaoping's tenet that "fixed formulae" must not be used in judging either the rights and wrongs of fraternal parties or the revolutionary ways they choose to follow, is an expression of full trust in the fraternal parties of all countries and fully accords with the historical law that socialism may exist and develop in diverse forms. Lenin once said: "All nations will take the socialist road; that is unavoidable. However, their methods will not be completely the same. Each nation will show special characteristics, in this

or that democratic form, or in this or that type of proletarian dictatorship, or in the speed of socialist transformation of the various aspects of social life." (Footnote 7) ("Complete Works of Lenin," Vol 23, pp 64-65) Socialism, in its history of over 60 years, has turned from a purely theoretical system into practice in the lives of the people. In the course of its history, socialism has always exhibited a diversity of patterns before the eyes of the peoples of the world. In the Soviet Union, socialism was basically practiced for a long time in the form of planned management with centralized state power. Yugoslavia instituted an economic system of self-government, where the means of production were handed over to the enterprise workers for their direct management. In China, the system that is now being gradually instituted has state-run and collective-run economies as basic economic forms, but allows, within a certain scope, economic activities by individual workers to supplement, as necessary, the public-owned economy; it is an economic system in which several economic forms exist side by side.

The unprecedented economic reforms that are now being carried out in the various socialist countries are transforming and perfecting the existing social systems and the patterns of economic organization, and new patterns of economic organization will be brought forth in the course of these reforms. With the passage of time, the various patterns of socialism will undergo continuous perfection and renewals, until, finally, the communist system will be realized throughout the world. The political proposition put forward by Comrade Deng Xiaoping, that no "fixed formula" must be used, as each country's communist party seeks out its own revolutionary way, expounds more specifically the irreversible overall direction of the international communist movement in its firm support of the entire world's development. Accepting this overall objective as predominant goal does not preclude diversity, nor does it eliminate national character as an international guideline. The more abundant and substantial this diversity and national character is, the more boundless vitality will be imparted into the entire international communist movement, and the greater the possibility for the revolutionaries, of which all communist and working-class parties act as helmsmen, to successfully reach the communist ideal on the other shore!

9808
CSO: 4005/142

NATIONAL AFFAIRS

ZHENGZHOU MAYOR DISCUSSES FUND RAISING FOR URBAN CONSTRUCTION

Beijing LIAOWANG [OUTLOOK] in Chinese No 41, 13 Oct 86 p 35-36

[Article by Zhang Zhichu [1728 2535 2806]: "Learning to Accumulate Capital to Purchase a 'Rooster'; An Interview with Zhengzhou Mayor, Hu Shujian"]

[Text] The proverbial sayings tell us that each family has its own insoluble problem. For a mayor, who must oversee and organize the production and livelihood of an enormous number of families, one can imagine how insoluble his "problems" must be. And what is it that now gives mayors their biggest headaches? It is the extreme inadequacies of the cities' basic facilities and the lack of fixed avenues of investment.

The mayors' strong sense of responsibility to their times causes them much worry, so that some even rush about calling out loud. This is because they are the most aware of how important the basic facilities are to the cities' economic prosperity and to the opening to the outside. It is just like the description given by Ye Rutang [0673 1172 2768], Chief of the Urban Construction Environmental Protection Department: if economic construction is seen as a "hen," then infrastructure is the "rooster." If a city's infrastructure is not secure, then it is not possible to create a good environment or good conditions for expanding reproduction or for improving the quality of the people's livelihood, so that no matter how many more eggs the hen lays there still will not be any chicks hatched. Consequently, he feels that one should be willing to spend money to buy a "rooster."

We have heard it said that in the last 2 years infrastructure construction in Zhengzhou has been well run, the townspeople are relatively satisfied and praise Mayor Hu Shujian [170 2885 0313] and his co-workers for being able to raise money to buy a "rooster" despite the lack of capital.

Under the Conscious Control of a Commodity Economy

Hu Shujian first filled the office of mayor of Zhengzhou in 1983. At that time, he and his co-workers vowed that their "term of office" would not add any "new accounts." However, after clarifying the situation in "outstanding accounts" they changed their way of thinking. According to calculations, Zhengzhou's urban construction for just tapwater, irrigation, roads and bridges had a shortfall totaling more than 600 million yuan. Yet, current

national policy regulations permitted investments of less than 40 million yuan per year. If they relied only on these funds it would take at least 15 to 20 years to make up the shortfall of 600 million yuan. It seemed that if they did not employ a revolutionary spirit and revolutionary actions to solve the funding problem in urban construction, not only would the old accounts remain uncleared there definitely would be new accounts. Hu Shujian and his co-workers thereupon agreed that during the period of his "term of office" they would focus their energies on making a major issue out of accumulating social funds through a variety of methods, not only making breakthroughs in the paths and methods of accumulation but also being innovative in their concepts and understandings.

At the first annual conference of the China Urban Science Research Society convened in Tianjin at the end of August, Hu Shujian spoke in his capacity as the chairman of the Zhengzhou Urban Science Research Society. In his speech he suggested the inclusion of urban basic facilities within the parameters of the planned commodity economy. This allows them to follow the demands of the law of value in determining the price of basic facility products and services. The actual concept is as follows:

Promote the compensated use of public facilities. All facilities which provide tangible products or which provide specialized services for production or transportation may collect fees on completion of construction, or if the accumulated capital method of construction is used, they can later use products or services to reduce compensation.

Make city land into a means of producing wealth for the municipal government. Because of the addition of a great amount of human labor, each parcel of urban land has value, so no unit nor individual may occupy or utilize it without making compensation.

Implement command-type fund raising and renovate the environment.

While raising funds to carry out commodity and housing construction, implement a housing savings system, foster home purchases by encouraging the masses to save for that purpose.

Absorb idle social capital and make it into a reliable source of funding for urban construction. In addition to urban commercial structures and commodity buildings which can be sold or leased to collectives or individuals, the collective or individual operation of amusement areas in public parks or sightseeing areas can be encouraged. Newly constructed urban trade centers, shops, hotels, guest houses, and the like which have superior operating conditions also can issue management or service bonds. Some urban construction projects which are closely connected to the people's livelihood can also issue premium bonds to individuals.

After interviewing Hu Shujian, those reporters who thought that his speech referred to matters that were in the discussion or research stage finally understood that most of the points he made already had been placed into practice and moreover had achieved appropriate results.

From "Barren Lands" to "Lush Vegetation"

The speech started with government issued bonds, which was of most interest to the people. Hu Shujian said that Zhengzhou altogether issued bonds four times, totaling 20 million yuan. The first time was to raise funds for the construction of the building for the Zijing Department Store. A total of 7.25 million yuan was raised, with principal and interest both paid off in 15 months. Later, Zhengzhou also established a local bank managers association chaired by the mayor, and the people were even more confident. After that, the whole city issued premium bonds for buildings. Last year, the bonds issued were for one phase of a natural gas project and for joint investment with the China Council for the Promotion of International Trade in a commercial district department store building, and these two projects totaled over 15 million yuan. Hu Shujian told reporters that for those projects which relate directly to the people's livelihood the bonds pay annual interest equal to that paid on bank savings, while bonds for commercial operations paid slightly higher interest. However, no matter what kind of bonds were issued, each time an issue was announced the people ran to tell each other and competed to buy them, so that several hundred million yuan of capital would be completely issued within a few hours and some investors even implored people to make "back door" sales. He said that in view of conditions in the four instances of bond sales the people now have a different attitude. In the past few years, the people feared price hikes so when they had money they would purchase top of the line consumer items. Now they prefer to deposit discretionary money in banks. This type of bond issued by the local government exactly suits the people's thoughts. Those construction projects which benefit the masses receive even more approval and support from the masses.

The great majority of people in Zhengzhou all know that ever since the opening of the oil fields in 1981, there have been natural gas "flares" going up in waste; yet the great majority of the urban people still burn coal, so that every year over 10,000 tons of smoke and 50,000 tons of charcoal as well as enormous amounts of sulphur dioxide pollute the environment. The state has already decided that the Seventh 5-Year Plan would invest 40 million yuan in a project to construct a natural gas pipeline from Kaifeng to Zhengzhou, however the annual investment was only 8 million yuan, and the remainder was divided up among local government expenses. Hu Shujian and his co-workers thought that waiting 5 years was not as good as issuing bonds so that the inhabitants could use natural gas 3 years earlier. Within 2 or 3 hours, 5 million yuan of bonds funding the main pipeline were completely issued. They subsequently issued another 5 million yuan of bonds. The work brigades were very energetic too, so that 75 li of pipeline was finished 93 days ahead of schedule. The project to lay the lines in the town then quickly began work. The work in the town relied on voluntary labor and on individual and group funding to supplement a funding shortfall of nearly 15 million yuan. Hu Shujian said that within 1 or 2 years, 85 percent of the Zhengzhou people will be able to burn gas. At that time Zhengzhou will perhaps have the best ratio of urban gas usage in the whole country.

The issue of urban government collection of fees is, of course, also a matter of concern to the people. Hu Shujian told the reporters that Zhengzhou had already decided upon a series of policies to start to collect fees in several

areas: 1) Collect user fees for city government public facilities. For all land requisitioned for new construction, levy fees of 4 or 5 thousand yuan per acre depending on location, with fees waived for education, health and research departments. 2) All building expansions and rebuilding on the original site which increase the original capacity will pay increased capacity fees of 20 yuan per additional square meter. Otherwise, a building permit will not be issued. 3) Levy a water resources fee. For newly constructed aquatic product projects, the units which benefit will pay a natural resource fee of 5 fen for each ton of tap water they use, the fees will be used to construct supplemental water source projects. 4) Under state law and policy, there will be resolute collection of pollution fees, which then will be returned to the polluting units to apply toward the control of pollution and for environmental protection. 5) Unify overall city development. In the new district and in the rebuilt areas of the original city, when commodities and structures are put up for sale they will be sold at an overall price which includes the construction funding for public facilities and basic facilities.

A reporter asked the question, "Do the masses have any views on this sort of 'large scale' collection of fees?" Hu Shujian sincerely replied, "These fees are collected from the people and used for the people, and the masses understand this point perfectly. Moreover, they can actually see and use a great many benefits."

This year, Zhengzhou's urban construction investment totals over 1 hundred million yuan, and except for local financial investment and small amounts of central and provincial supplemental aid, the preponderance of funds was raised through a variety of ways such as collecting fees and issuing bonds. They used these funds to construct a 28 kilometer inner loop road, widen three highways and two city roads, and rebuild three bridges and one overpass; three large commercial buildings located near the train station are rapidly being built; dredging on the Jinshui River running through Zhengzhou has been completed; the downtown cultural center has been completed and better recreation and entertainment facilities have been provided for the entire populace. This year, four national, large-scale conventions were held in Zhengzhou, the one with the most difficult organizational and host tasks being the All-China Youth Movement Conference, but because of convenient transportation within and outside of the city, relatively good accommodations and abundant supplies of non-staple foods, fruit and vegetables the comrades and youth movement members from all provinces and municipalities were relatively satisfied and they praised all the departments that were involved. The Youth Movement Conference was a test of the capacities of Zhengzhou and the city government derived some knowledge from this test. Hu Shujian said that Henan is a major route for China's land transportation and the capital city of Zhengzhou is a point of convergence for the Beijing-Guangdong and Gansu-Shanghai railways, and these unquestionably are extremely beneficial conditions for stimulating the economy and opening up to the outside. If the city's basic facilities are further improved that will further enhance its attractions. He told the following tale: 3 years ago, a Hongkong businessman came to Zhengzhou to look things over and then said that he wanted to engage in joint capital ventures, but there was no followup communication at all. Three years later, this same Hongkong businessman again came to Zhengzhou and again wanted to do joint ventures, very earnestly saying: "Your city has really changed in these 3

years and the investment climate has improved. In order to guarantee the success of entering into a joint venture this time, I'm willing to put up earnest money." Hu Shujian sadly said he originally felt that the city had major construction deficiencies and excessive outstanding accounts, it seemed that the land was "barren and arid" and that nothing could be done. After undergoing this test, the present feeling is that there now is "lush vegetation."

Bravely Explore, Steadily Forge Ahead

The interview was soon about to end when Hu Shujian asked me to pay attention to two points in his thinking: "The first point is that in any matter whatsoever there can be no blind or erratic actions, and in urban construction there must be even more emphasis on science and democracy. When matters in these areas are done right, all the townspeople will applaud and give unanimous praise, and the greater the effort the greater the spirit; if it is improperly done so that the people are overworked and finances strained there will be complaints everywhere, you then will block off the very roads that you opened up. When we arrange out projects, we therefore resolutely adhere to the needs of the overall urban plan, clearly differentiate between the essential and the non-essential and the urgent and the non-urgent, take stock of our strengths before acting, disregard formalism and forgo making any uproar so that the people derive actual benefits. Each time a project is presented there must be broad acceptance and repeated discussions so that there is precise understanding and positive, sure organization for taking action."

"The second point is that accumulating funds must take the social capacity into account. We must take special care of the enterprises and the masses in building the city's positivism and cherish this valuable source of funds. There must be resolute suppression of arbitrary spending, there must be firm support of rational fund raising. However, even if there is rational fund raising, if it is not suitable then the enterprises will not accept it; individual bonds can be issued, but reckless issuance is not acceptable. Accordingly, the city government makes a relatively precise estimate of the social financial strength of Zhengzhou, and even though there is considerable fund raising and bond issuance, there is no reduction of savings throughout the entire city. In short, everything has two aspects, the dialectical method does not stress feelings, the city government leadership must be clear-headed and have a serious attitude about how much money society can produce, how many undertakings the city government can accomplish, how many fund raisings can occur each year, when the fund raisings should be held and what the amount should be; this is because urban construction is a systematic project which is both confusing and enormous and the accumulation of funds to carry out urban construction is an immeasurably large new topic.

11582
CSO: 4005/155

DIVERSE IDEOLOGIES, CLASS STRUGGLE DISCUSSED

Beijing WENYI BAO in Chinese 20 Sep 86 p 3

[Article by Dan Nong [2481 6593]: "All Ideas Are Not Stamped with a Brand of Class; Comments on Equating '100 Schools' with '2 Classes"'; First paragraph is source supplied introduction]

[Text] "Social Reform and Literary Prosperity," the article by Zhang Xianliang [1728 6343 0081] published an issue No 34 of this journal, captivated many readers who wrote to express their criticisms, comments, or supports. Exchanges of opinion are conducive to the distinction of right from wrong and to the pursuit of truth. We intend to continue to publish this type of article for the readers' reference.

In his article "Social Reform and Literary Prosperity" Comrade Zhang Xianliang advanced a cogent theory on social reform and on "letting 100 schools of thought contend." It is a most impressive and admirable piece of work. Some of the issues no doubt warrant careful consideration but I find it very difficult to concur on other issues. For example, concerning the interpretation of the "double hundred" policies, Xianliang suggested that Mao Zedong's basic viewpoint on the 100 schools being simply the proletarian versus the bourgeoisie was "not unreasonable," and therefore he took over and elaborated on this point. There are some differences though: one view urged the fostering of proletarian ideologies and the elimination of bourgeois ideologies; Zhang advocated discussing proletarian and bourgeois ideologies on an equal basis. One suggested that bourgeois ideology was poison but Zhang advocated "rehabilitating" capitalism and permitting the spokesmen of bourgeois ideologies (including bourgeois academic ideas, literature, and art) to express their views publicly. One repeatedly made contradictory and confusing explanations about the double hundred policies between 1956 and 1957: sometimes within the same article it was emphasized that there should be free discussions of science and arts, and that one must maintain a cautious attitude toward dissenting opinions, but at the same time it was emphasized that this was a battle between the proletarian and the bourgeoisie and that struggles and criticisms must be launched. Zhang Xianliang argued that if "letting 100 schools of thought contend" pertained only to discussions within the proletarian class then it would be a trivial issue and a closed discussion and would not deepen cognition or promote scientific progress. Thus the two seem to have opposite interpretations, but they have one point in common:

they both advocated that the "100 schools" meant only 2 "classes." Xianliang's thinking is bold and liberated, but still cannot escape the old cliche that "all ideologies are stamped with the brand of class." This is the fatal flaw in Xianliang's theory. It is time for us to reexamine seriously the historical facts of human development: Are all ideas branded by class? Do all social sciences draw class distinctions and fall into one class or the other? I don't believe so.

All along we have separated social science (humanities and arts) from natural science, and suggested that the study of natural science has no class connotations while social science emphasizes class and party distinctions. In fact, that is only a partial phenomenon of social science, that is to say, some social science disciplines or theories bear a close relation to politics and class and therefore have distinct class overtones. But a large part of social science is not stamped by a class brand. Social science and natural science are both sciences, the only difference is that they have different objects of study. Social science is the study of the various phenomena and laws of development in human society, and based on these objective facts and internal relations we research and seek realistic explanations. Any class and political biases will affect the ability to grasp objective truth. Mao Zedong once said that "science is honest knowledge" and "science is truth." He was entirely correct. Therefore the results of our predecessors' studies, contemplations, and explorations of social phenomena are the advent of truth or the discoveries of truth. They discarded class biases and went beyond class boundaries to produce scientific conclusions and forecasts about human experiences. From Confucius to Lu Xun, from Aristotle to Sartre, we cannot regard these people simply as spokesmen for a certain class. Their thoughts are rich and profound but they are the products of their times and cannot transcend their era. They are the crystallizations of the ideas of the times and more or less represent the height of that era's scientific knowledge, and they have positive effects on human progress. They are part of the glorious cultural treasure of mankind. Therefore it is natural for later generations (regardless of their class) to commemorate them, respect the, and follow in their footsteps. But it is not unusual that as society progresses and history enters a different phase and the standard of scientific knowledge rises, they too are found to be deficient and flawed: even today's social scientists are subject to the limitations of their times. This only proves that truth is infinite, and generation after generation, people must continue to search and move forward by relying on the results achieved by their predecessors.

In Engel's discussions of Saint-Simon, Fourier, and Owen he pointed out that the three shared one common point: "They did not present themselves as representatives of the proletarian rights of their times. Like the scholars of the Enlightenment, their goal was not to liberate any one class of people but all mankind." That is to say, those philosophers whom we regard as bourgeois may have the liberation of all mankind and the creation of a truly egalitarian, blissful, rational, and righteous society in mind when they advance their doctrines or social ideals. They represent the whole society and speak up for all groups against the old societies. Their ideas are

universal. Politicians may use these ideas to realize their own political goals, but that is a different issue. Furthermore, there are many areas of studies, specific theories, and works of literature and art which have no direct relation with politics or economics, and they especially should not be deemed tinted by a class mentality. Although ideological or cultural representatives are individuals within certain historical conditions and relations, they do not necessarily represent their social cliques. A person may stay with his peers and speak out for the privileges and ideas of his group, or he may even transcend cliquish privileges to ponder the welfare of society as a whole. This phenomenon is not unusual in history: when capitalism was on the rise, it was the working class, those who are exploited and oppressed, who embraced this form of production while angry opposition to this hideous system of exploitation came from within the capitalist class, and what was even more curious was that the exploited masses did not respond to the angry protests. If we analyze this from our mechanical class viewpoint then nothing makes sense.

In analyzing ideological and cultural phenomena in history, we should adopt an attitude of historical materialism rather than tag on class labels simplistically. All historic figures have their limitations, but these are mainly reflections of the limits of their times. Engels said that "great 18th century thinkers were no different from their predecessors, none could exceed the limits of their era." This is true not only for 18th century thinkers but all thinkers before our time, and it is the era that sets the limits, not class restrictions. When Engels critiqued the complexities and contradictions of Goethe, the "greatest German poet," he said: "We do not reproach Goethe from a moralistic or party viewpoint but from an aesthetic and historical viewpoint. We do not measure him by moral, political or 'human' standards." Why did Engels stress that political, party or class viewpoints were not used in evaluating Goethe? Because these standards cannot demonstrate accurately the complex and profound implications in a great poet like Goethe. Even Mao Zedong, in his discussion of the statesman Sun Yatsen, said: "Like all great historical figures who confront and guide the trends of the times, Sun Yatsen had his faults too. These must be explained in historical context and we should not be too critical of our predecessors." Even Mao Zedong did not mention bourgeois standards but instead spoke of "historical context": this applies not just to Sun Yatsen but to many progressive figures in history.

Even more importantly, when Lenin discussed the origin of Marxism, he pointed out repeatedly that Marxism inherits and assimilates the "progressive thinking of mankind"; it is the "natural heir to the fine fruits of the 19th century creations--German philosophy, British political economics, and French socialism" and is "the most precious accomplishment of the bourgeois era" and "the most valuable thing in 2,000 years of human ideological and cultural development." Marxism reexamines, reevaluates, and explores "all creations of mankind and all ideas established by mankind." But there was no mention of bourgeois ideology. Lenin was entirely correct because great ideas are the scientific products of different times and include different disciplines of science in different countries; they belong to all mankind.

In studying the history of Chinese literature people once used the terms people's writers and people's poets to explain the emergence of outstanding writers and poets in feudalistic societies, and even used intermediary characters and writings to explain elaborate poems, paintings, and romantic writings. Because the theory that class determines the nature of things did not work, we resorted to other means. Indeed, should we view Qu Yuan, a senior court officer, as a slaveowner class poet? Or treat Dufu, who served in various posts in court, as a landlord class poet? They lived in feudalistic societies and could not avoid feudalistic brands of allegiances. People in those societies lived with those ideas. Stories of Dufu's fierce loyalty during wartime typified the exploitation and exaggerations of the ruling class. But Dufu lived a life of poverty, his son starved to death, and he could not save the roof over his head. When he was young he traveled among the rich and lived on scraps off of their tables; he led the sad life of a drifter. In his old age he was sick and poor and homeless. This poet who cared about his country and his people wrote poems that reached out to the people of his time. There are many examples like this throughout history. They are the essence and the pride of our ancient culture, not the pride of the landlord class, even though historically the landlord class played a progressive role. Beethoven, Shakespeare, and others are also products of the bourgeois era, but they belong to all mankind. Outstanding ideas, culture, and art from all over the world transcend time and space or class or racial distinctions. They are assimilated, appreciated, and glorified by people of all times and all races. Marx, Engels, Lenin, and other classic writers never made class analyses of historic figures and never labeled them by class. And yet they loved these writers and artists as much as anybody else. Once Engels extolled that "those who laid down the foundation for modern bourgeois rule were not bound by bourgeois limitations."

Then does it mean that we never make a class analysis of ideological and cultural phenomena? Of course not. But we must seek truth in facts and be realistic. An ideological viewpoint that represents the privileges of a certain class is the ideology of that class; but ideology that represents the privileges of all members of society has universal significance. We oppose stamping everything with a class label. Capitalistic societies stress civilized manners, while we advocate the 5 stresses, the 4 beauties, and the 10-character courtesy education. These ideas are ordinary and civilized requirements which regulate human relations in our modern civilized society; they are not the characteristics of any particular class. However, in the past we regarded good manners as bourgeois hypocrisy, making rude behavior the "virtue" of the proletariat. This is full of tragic irony. Isn't monogamy a concept shared by all modern civilized societies? Which class does Lu Xun's A Q belong to? People have argued over this for a long time. Victory in a ping-pong game is called an ideological victory, then what about defeat? When class analyses become metaphysical, ubiquitous, and arbitrary then everything will be turned into a mockery. We have seen too many of these examples.

The purpose of the double-hundred policy is to promote the flourishing and development of science (including natural and social sciences), culture, and art through free discussions and free competitions. Different schools of thought and differences in beliefs and viewpoints in academic theories stem from people's different cognition and interpretation of complex phenomena in nature and in society as well as limitations of personal knowledge and the intellectual standards of the times. This kind of contention is not the closed and trivial discussion within the proletarian class, nor is it a life-or-death struggle between the bourgeoisie and the proletarians. Rather, it is the scientific discussion of science, or theories, and cultures and there is no need to politicize them and insist on class labels. In the past, many people, including this writer, regarded all literary people in the bourgeois era as bourgeois thinkers and writers. It was unfair; it was wrong. After the victorious Chinese revolution, all remnant intellectuals from the old society were treated as bourgeois. During the cultural revolution even those nurtured in the previous 17 years were branded bourgeois. This is a new invention based on the premise that those who received a bourgeois education must share the bourgeois world outlook and be bourgeois intellectuals; it is also based on the premise that everything taught in the schools in the previous 17 years was revisionist and capitalistic. All intellectuals are bourgeois: this is an absolutely ridiculous premise. If we look at recent discussions about contentions based on those arguments, debates over the theories advanced by Zhou Yang [0719 2254], Chen Yong [7115 8673], and Liu Zaifu [0491 0375 1788] have been heated, radical, and by no means trivial. But individually, which class' ideology do they represent? Modern literary works express a diversity of ideologies, including Xianliang's own "Luhua Shu" ("The Green Tree"), and "Nanren De Ye Ban Shi Nuren" ("The Other Half of Man is a Woman"). Which class do they represent?

The double-hundred policies are the party's ideological and cultural policies. In legal terms they are "the PRC's citizen's freedom to engage in scientific studies, literary and artistic creations, and other cultural activities." They are a citizen's political privileges, they are regulated and limited by laws. All citizens (regardless of their class strata) are entitled to ample freedom and equal rights before the law. Different people expressing different opinions is consistent with our society's abandoning the homogenous structure to become more lively and colorful. A diversity of ideological and cultural phenomena will guide the people toward progress and prosperity. The latter part of Zhang Xianliang's article also objected to reckless class analyses, but I disagree with his arbitrary introduction of class, politics, and party concepts into ideological and cultural domains and his suggestion that it is "not unreasonable" to conclude that 100 schools means basically "2 classes" and that argument is not consistent with the facts in ideological and cultural history nor conducive to scientific, cultural, and artistic developments.

12986/12851
CSO: 4005/114

NATIONAL AFFAIRS

INTERVIEW WITH LIU BINYAN

Shanghai MINZHU YU FAZHI [DEMOCRACY AND LEGAL SYSTEM] in Chinese 20 Sep 86
pp 12-13

[Interview with Liu Binyan by staff reporter Jiang Yaochun [3068 5069 2504]: "A Dialogue With Liu Binyan"; date and location of interview not given]

[Excerpts] Reporter: After almost every piece of your expose-style writing, some people will want to "settle accounts" with you, saying that your writing is "inconsistent with facts." What is your attitude toward such criticism?

Liu Binyan: It is a habit of long standing with us that we do not want to reveal problematic sides of our lives, believing it to be in our best interests to cover them up and keep a lid on over them. One important reason for this habit is that we are afraid revelations would hurt the interests of certain people.

People who are against my writing and against all critical reportage are always talking of "inconsistency with facts," as if they are particularly keen on protecting the principle of truthfulness in news reporting. If that were true, why are they not opposed to continuous and voluminous exaggerations in reports of their own achievements?

Actually, it is precisely that the more violent the opposition and the louder the shouting about "inconsistency with facts" becomes, the more reason there is to assume that this writing reveals the big truth, writes of some deeply penetrating truths, which those people feel as painful stabs, that get them enraged and make them feel threatened. Reviewing all my writings, not one of these pieces is exaggerating facts. When controversy arose in 1980 over "People or Monsters?", the Ministry of Propaganda had a special team investigate the matter; their conclusion was: The main problem with this piece of writing is that "exposure is not thorough enough and not fully revealing" as to all the problems involved in Wang Shouxin's case of corruption.

Will writing be opposed if it is reportage that is absolutely truthful and accurate in its criticism? It will be opposed all the same. Even if the facts are understated, the writing will still be opposed by some people. There are many examples which show that the more serious the problem in a place or

unit, the more will that place be afraid of exposure. Even before the article is published, they will come complaining, or even try to stop its publication by threatening, intimidating, and coercing. Don't underestimate the strength of an official's seal. When a top-ranking party secretary starts a lawsuit against a writer, it is almost a natural law that the former has already half proven his case. "That's the party organization!" The "party organization" cannot lie, it has to be trusted. I have seen so many cases in the last few years where brazen lies were told in official documents! Whether it is a municipal or provincial party committee, or even a basic-level party committee, they all make deliberate misrepresentations, make out as bad a person I describe as a good man and make out as a man of good character someone I describe as bad!

Official seals and official documents have the great advantage: If ever a mistake is made, you will not be able to find a person who is responsible for it.

If one is particularly concerned about the truthfulness of reportage dealing with news events, one should at the same time demand that documents and writs accusing the writer of inconsistency with facts must also be truthful. Close investigation should be instituted and legal responsibility established in the case of that small minority of people who in the name of the "party organization," "party committee," or "the teachers and students of this school" create confusion by passing off wrong for right, start rumors, slander, or coerce the leadership.

Reporter: Your large readership is much concerned about you, and there are many rumors about you circulating among the general public. For instance, it was said in Shanghai that you had announced you will write no more on current malpractices. Some say you have "in indignation withdrawn from the literary stage." Is this true? May I ask you to speak on your present situation?

Liu Binyan: Since spring 1980, rumors about me have been spread incessantly, moreover, spread very rapidly. They reached their height last year, and Shanghai is a very busy rumor mill. There are two reasons: some people wish the rumors to be true, that I would be "kicked out of the PEOPLE'S DAILY," "placed under house arrest," "kept isolated while under investigation," "expelled from the party," or "arrested." Those who are concerned and care about me, out of fear that these things may have happened to me, are also guilty of disseminating these rumors. Since the latter are many times more than the former, I figure that they possibly play a larger role in the rapid spread of these rumors. You may remember that I was temporarily forced to cancel a lecture trip to Shenyang in the spring of 1982. A teacher wrote me at that time from Liaoning: "Just drop me a short note: has anything happened to you?" A comrade who cares so much about me is of course extremely sensitive to rumors about my personal safety, how much more so if some of the rumors come from official sources? I should be grateful to these warmhearted readers, real comrades, without quotation marks!

Last year I did not announce at all that I would withdraw from the literary world. However, at one time I really and conscientiously pondered certain questions: For instance, is it still possible to continue writing reportage-

style literature? Is my work indeed of much use to the motherland and to the people? Would it not be better to put down pen, do a little reading, and do exercises to build up physical strength?

The present situation is very good. I still have some material to write about, some manuscripts to deliver against advances received, some letters to read and to reply to, and some visitors I have not yet properly entertained. Not only is time too short and energy inadequate to reply to all letters from readers, but the greater difficulty is: Most of these letters report on situations and contain appeals against personal oppression and persecution. How should I reply? After starting with: "I have received your letter ...," I find it impossible to continue. I have not the strength to go for an on-the-spot investigation, besides, what would I do after clarifying the facts? Could I write an exposé? Refer the matter to the authorities in charge? The victims have already written the authorities in charge several tens and hundreds of times.

If I had two, three assistants, my production could be doubled. This is also a problem of the system. Society incessantly increases its demands on a person without being able to provide him with the means to satisfy the demands.

According to distribution figures of Xinhua Book Co., in a China with a population of 1 billion, a book written by me can be printed in at most only 30,000 copies. In the end, that does not even allow me to buy 400 copies to send to friends. According to information merely from Xinhua, only 5,000 people wanted to buy one recent book, that is, even in a province or municipality of tens of millions of people, only a little over 100 people would want to read that book! However, the publishing company can only print copies according to the figures supplied by Xinhua.

Reporter: The facts that you reveal in your exposés have shocked many people. In your opinion, in the ongoing struggle to uphold the authority of the constitution, rectify the party's style of work, and correct unhealthy tendencies, in what ways should workers in the literary and news reporting fields exert efforts?

Liu Binyan: First about news reporters: As far as I know, it is not that editors don't want to make contributions in that respect, but the necessary conditions to do so do not exist. Comrade Bai Haichao [4101 3189 3390], reporter of the SHAANXI RIBAO, wrote a reportage a few years ago, entitled "Blue Skies, Oh Blue Skies!" which was published in the SHAANXI RIBAO and evoked extremely strong responses. However, after that, he could not write this kind of writing anymore, even could not be reporter any longer. He recently changed his profession and went to Qingdao University to teach. We may say that this type of comrade exists in every newspaper office. They are capable of writing thousands of exposés which readers like to read and which have good social effects. However, it is precisely this type of article that is getting more and more difficult to find. Finally, the faces of many newspapers look like twins.

As to writers of novels, the situation is different. They enjoy presently the largest degree of freedom, but are not very willing to use this freedom. Most concentrate efforts on technique, which is very well, and I believe they will produce artistic pieces that are admired by foreigners. In looking cover to cover in some literary publications of today, you cannot find any story that deals with issues that people are most concerned about in present day Chinese society. Is that really normal? However, critics unanimously praise and encourage this trend. The indifference of Chinese readers toward today's novels has reached a degree that should arouse a feeling of crisis among writers of novels. What kind of an epoch is it that China finds itself in now? Speaking of Shanghai, how many events have occurred there during the last 30 years, events that are soul-stirring and still of immense significance today? Wasn't this the headquarters of the "gang of four"? Was it not here that such stuff as anticapitalism and "the working class to exercise leadership in everything" had been pushed on a grand scale for several decades, and could the influence of all this on Shanghai have already completely vanished? I can't explain why the various phenomena that occurred in the lives, and that were decisive for the fate of millions of people, are in the end not capable of acting as impulses among writers of novels! It is truly incomprehensible! I really don't believe that it is not possible to write about these topics in an artistic way. I am concerned that passivity inherent in the traditional disposition of Chinese men of letters and in Chinese cultural tradition can set China back 20 years, until the country will again produce great writers and great writings.

The issue of truly deep human feelings is imbedded in political and social contradictions. Regretfully, the field of vision of some people restricts them from exploring this area for best material.

Reporter: Some say you are not a writer but a thinker. What is your opinion?

Liu Binyan: Terrible, terrible--as what kind of a thinker can you take me? I have really little talent and less learning. It is true that once at age 13 I bought a book by Nietzsche, but I did not read it. My studies have always turned around the few men: Hegel, Marx, Engels, and Plekhanov. Other books were very hard to get in the past. Now that they are available I have no time to read.

However, your question makes me think of one problem: It is more than 60 years since the May 4 Movement; why are there still so few Chinese writers and thinkers? Who else is there besides Lu Xun? Why, again, is it like that? Is it possible to say that China's society and history has not provided fertile soil? I think, we cannot say that.

Looking at the present generation of writers in China, it seems one could easily be satisfied. In artistic respects one may perhaps not be fully satisfied with one's current situation; what about the ideological side? In the beginning there were some writers who concerned themselves with philosophy and science, but they were few, and their political interest was feeble compared to several years before. "I just write my own novels!" The self-satisfaction and overconfidence of some writers was harmful to the growth of these writers.

Reporter: The enterprise you are engaged in appears to be full of risks, but you are still so joyfully going ahead, what is the source of your confidence?

Liu Binyan: At the start, I too had not much confidence--I also never imagined that I would encounter such strong opposition, nor that I would be welcomed by so many readers. You say "full of risks," is that not putting it a bit too strong? Of course, it is not that there are no risks at all, but, judging by the experiences of the last 7 years, the greatest risks are only: having to stop working as reporter, to be subjected to investigation, to be criticized by name, and information then being passed on from level to level, this is just making those who hate me a little happy, that is all. It shows that there is truly some progress in China, the price paid in the last few decades was not paid in vain.

The source of my confidence is that more and more of my countrymen want to read this kind of writing. In this sense, the people and things that I criticized and exposed, that is, the force that induced me to take up the pen and write, objectively helped me, enabled me to gain inspiration from their physical existence, and it is because of writing about them that I created among the readers a certain reaction. The best way to oppose me, stop me, and eliminate my influence on readers would therefore be to have me lose the target of my writing--make those forces that obstruct China's social progress, forces that are abhorred by the people, disappear from the scene. However, will they be willing to cheerfully retire from the political stage?

9808

CSO: 4005/160

CONFERENCE ON HANDLING VIOLATIONS OF PARTY DISCIPLINE

Nanjing XINHUA RIBAO in Chinese 12 Sep 86 p 1

[Article by Ji Kuishun [1323 1145 7311] and Liu Tingan [0491 1656 1344]: "Responsible Cadre of Provincial Discipline Committee Emphasizes Need To Support and Promote Reforms in Work of Investigating Cases"]

[Text] At the recently convened province-wide conference to hear cases of violations of CPCdiscipline, a responsible comrade of the provincial CPC committee emphasized that the work of investigating cases requires clearcut support and the advancement of reform.

He said: Of the problems emerging during the process of reform, we need to distinguish carefully between newly emerged reforms and unhealthy tendencies; between errors that arise due to lack of experience, and those from bureaucratic neglect of one's duty; between exploring, and seeking an opportunity to engage in activities that violate law and discipline; and between ordinary unhealthy tendencies, and serious violations of law and discipline. We should fervently support and protect the reforms that have newly emerged and the comrades who are bold in making reform, and without delay we should deal seriously with the incidents of comrades who persist in stifling and attacking reform. We must look at the essence and main trends of problems that emerge during the process of reform. We should enthusiastically educate and help cadres who have faults, support their continued good efforts at reform, and pay attention to and protect the enthusiasm of the vast number of cadres. Regarding those who, during the process of reform, seek opportunities to use power for their own gain, practice chronic bureaucratism, engage in activities that violate the law and discipline, and disrupt and destroy that which is reformed, they certainly, without exception, should be seriously dealt with according to party discipline and national law. This, in itself, will support and protect reform. We should lose no time in dealing with big and important cases and accomplish investigations quickly and accurately. In order to enhance the foresightedness of our work, we should also master the law. We should seize the symptoms of a unhealthy tendency and promptly deal with them, not allowing them to become common practice. After each significant reform measure is implemented, we all should pay attention to this problem. At the same time, the advanced units with a good party style and notable

achievements in their reforms and work, and the advanced individuals who support reform and are honest in performing their official duties, need our enthusiastic support and our energetic commendations to cultivate, on all fronts, an image of advanced party organizations and party members and cadres in the new historical period.

13138/12858
CSO: 4005/082

FORUM ON PARTY RECTIFICATION SURVEY WORK

Nanchang JIANGXI RIBAO in Chinese 24 Aug 86 p 2

[Article by Zhang Xujin [1728 4872 6855] and Jia Yian [6328 1942 1344]: "CPC Party Rectification Office Convenes Forum on Rectification Survey Work, Urges Excellence at Party Rectification Survey Work in Order To Correct Party Style"]

[Text] The party rectification office of the provincial CPC committee recently convened a forum in Fengcheng County on the party rectification survey work of the municipal CPC committee. The conference summarized the experiences and research of party rectification work throughout the province and made arrangements for the next phase of party rectification survey work.

The conference held that Jiangxi's party rectification survey work has achieved remarkable success. During party rectification, over 3,600 cases of various discipline violations have been exposed, and of the more than 2,300 cases that have been placed on file to be investigated, 65 percent of the cases have been settled, and the remaining cases are under investigation. At the same time the conference pointed out that in the process of rectification work, the progress of the inspection work of exposing violation of discipline cases in various areas is uneven. The proportion of completed cases in some prefectures and cities reached over 80 percent, while completed cases in others mounted to only about 30 percent. As for the whole province, close to 35 percent of the cases still have not been settled completely. At present, it is most important to overcome the tendency to slacken off or grow weary of party rectification survey work, and in the most difficult of circumstances, we should spare no effort in investigating violation of discipline cases.

The conference pointed out that party rectification survey work is the most important component of party rectification work, and we must work to correct the party style and complete the four party rectification tasks. We should support the principle of "running the party strictly," promote the further improvement of the party style, and assure the smooth progress of reform and construction. All levels of party rectification survey departments, in addition to fulfilling their own job of directly investigating violations of discipline should begin to undertake the task of professional

direction by synthesizing the situation, coordinating relations, and supervising and speeding up investigations. Presently, in the wake of Jiangxi's county-level party rectification work, which is fully under way, the most important part of the party rectification survey work is to pay close attention to and investigate serious cases in which township and village party members and cadres violate the law and discipline and use power for their own gain. At the same time, we should pay close attention to and investigate the cases left over from the earlier stages of party rectification, particularly the large and key cases.

The conference emphasized that each level of the party committee must conscientiously strengthen the leadership of party rectification survey work and promptly organize the capability to carry out investigations of the cases on file. The conference demanded that comrades engaged in party rectification survey work must further cultivate a sense of honor, a sense of responsibility, and a sense of urgency and must uphold the principle of seeking truth from facts. They should be bold and unyielding, handle cases impartially, ignore feelings, and not abide by personal relationships. These comrades, utilizing their spirit and high degree of responsibility for the causes of the party and the people, should do their party rectification survey work well from start to finish and conscientiously work to correct the party style.

13138/12858
CSO: 4005/082

LI CHANGAN ON GRADUATE EDUCATION IN SHANDONG

Jinan DAZHONG RIBAO in Chinese 11 Sep 86 p 1

[Article by Wang Jinchen [3769 2516 5256] and Li Zunli [2621 6690 4539]: "Provincial CPC Committee and Government Convene Conference for Instructors of Doctorate-level Graduate Students; Major Program of Vital Importance Regarding Accelerated Training of Highly Specialized Talented Personnel Discussed; Goal Is To Have 5,000 Graduate Students in School by 1990"]

[Excerpts] In order to celebrate the glorious holiday of the people's teachers, the provincial CPC committee and the provincial government convened a conference yesterday [10 September] at Jinan's Nanjiao guesthouse for college and university instructors of doctorate-level graduate students throughout the province.

Li Changan [2621 2490 1344], the governor and deputy secretary of the provincial CPC committee, Miao Fenglin [5379 2800 2651], the director of the propaganda department and a member of the provincial CPC standing committee, Ma Changgui [7456 7022 6311], the vice governor, as well as responsible comrades from relevant departments attended the conference together.

At the conference, Li Changan said that the provincial CPC committee and the provincial government have paid great attention to graduate education. Since 1978, a total of more than 4,100 graduate students have enrolled throughout the province, and more than 1,300 students have already graduated. Among these graduates, more than 1,100 have been granted a master's degree, and 8 have been granted a doctorate. Twenty times as many graduate students have been granted degrees in the past 8 years than in the more than 10 years from the early fifties to 1965, and the quality of graduate students is superior. These facts, and the careful teaching and guidance of the more than 500 people of the graduate teaching ranks in Shandong who possess high educational standards, cannot be separated.

Li Changan continued by saying that, in the course of the Seventh 5-Year Plan, we should broaden the scope of enrollment for master's degree fields in the province-run schools and colleges and simultaneously

create conditions to set up more fields in which doctorates can be awarded. The entire province should adopt various methods to train graduate students, such as classes to recruit graduate students, specialization in a master's degree program while still on the job, and the sending of students to train at key universities outside of the province. By 1990, this will cause the number of students in graduate school to reach 5,000 people. This is an exacting demand. However, provided that we make a joint effort, this goal can be achieved because we have many favorable conditions. First, as a result of State Council approval, Shandong this year had an additional 21 doctorate fields and 52 master's degree fields. Second, the state allows local colleges to increase the number of students enrolling in master's degree programs. Third, Shandong's institutions of higher learning have expanded their capability to train graduate school teachers. Fourth, in the natural sciences alone, Shandong has 18 national-level research institutes, 83 province-level research institutes, and 4 province-level academies of science. The joint training of graduate students by strengthening institutions of higher learning and scientific research units has created favorable conditions.

13138/12858
CSO: 4005/082

SHANGHAI REFORMS HIGHER EDUCATION FOR ADULTS

Beijing GUANGMING RIBAO in Chinese 19 Sep 86 p 1

[Article by Zhang Yifu [1728 6318 1788]: "Shanghai Municipality Reforms Higher Education for Adults, Sets up Special Fields of Study According to the Needs of Society, Tries out Diversified Credential System"]

[Text] When granting an interview to reporters a few days ago, an official from a concerned department of the Shanghai municipal higher education bureau talked about how, in the past, various concerned institutions of higher learning did not fully understand the needs of society, principally in the unrealistic way they offered specialized adult education courses and worked out admission programs on the basis of the school's educational facilities. Now this standard must be reversed, and we must offer specialized courses and work out admission programs in accordance with the needs of economic and social development. In order to keep informed of personnel requirements and conditions at all levels of society and to prepare to understand admissions the year after next, the municipal higher education bureau has already issued 20,000 survey forms regarding the requirements and circumstances of talented personnel to 8,000 factories, mines, and other enterprises as well as to district and county bureaus throughout the municipality. In addition, as a result of the approval of the municipal people's government and the State Education Commission, the Shanghai municipal higher education bureau and concerned departments also recently formulated the following reforms:

First, we should experiment with various kinds of certification systems and begin at once to establish a system of formal schooling credentials that will prove achievement in a specialized field or in a single course of academic study. Those who are older or those with rich practical experience who did not obtain the professional or administrative cadre's college record of formal schooling, but who have passed through a training program and have been assessed as reaching the level of specialized knowledge required to hold a post, can obtain a "certificate of qualification in a specialized field." Within the framework of a specific profession, the specialized knowledge that these people have should be recognized as being commensurate with that of a university level and should be used as a reference when appointing people to specialized jobs. The curriculum

should have no fewer than eight courses, with 1 year of school for those who have been released from work in order to study, and 1 and one-half to 2 years of school for those who will study parttime. On the basis of the curriculum established in the "certificate of qualification in a specialized field" school program, an individual can obtain a "certificate of qualification in a single course of academic study" that certifies achievement after completing a course and passing the examination. Everyone who completes studies in all courses can, according to the provisions, obtain a "certificate of qualification in a specialized field." This will change the existing tendency in adult education of "hordes of people crowding the bridge to get a school record."

In order to establish a rationally structured vocational educational system that covers a complete set of professions from the elementary to the advanced levels and suits the economic construction needs of talented personnel at all levels, Shanghai Municipality, beginning this year, will also decide which of the several staff and worker colleges will run trial specialized classes in adult vocational and technical education. This year, 400 students will be enrolled from among the entrance examination candidates. These classes will mainly train and produce the first of various kinds of specialized vocational and technical personnel.

Due to the various conditions and restrictions on adult education in outlying counties and rural areas and the increased difficulties there, as well as the extremely pressing rural demand for specialized personnel, Shanghai Municipality has also decided to form an "open university" in the villages by integrating televised classes, correspondence courses, and self-study and testing and, in addition, to utilize various kinds of educational methods comprehensively. This year, the first group will be tested in the common machine skills and in the management and administration professions of township and town enterprises. Students can rely mainly on parttime, independent study and, according to the time provisions, take part in self-testing. Once they are qualified in a single course, they can promptly obtain a "certificate of qualification in a course of academic study," and once they are qualified in the entire branch of an academic study, they can obtain a "certificate of qualification in a specialized field."

13138/12858
CSO: 4005/082

LATEST DEVELOPMENTS IN JUVENILE DELINQUENCY IN SHANGHAI

Shanghai SHEHUI [SOCIETY] in Chinese No 4, 20 Aug 86 pp 11-14

[Article by Xie Taisheng [6200 0669 3932]: "Developments and Trends in Juvenile Delinquency in Shanghai"]

[Excerpts] I.

The year 1985 has seen the most serious cases of juvenile delinquency in Shanghai since the launching of the "severe crackdown on crime" movement. Compared with the last few years, four striking changes have emerged:

1. Unhealthy trends have emerged in two age levels of juveniles who commit crimes. First, the proportion of the total number of criminal cases that is made up of criminal offenders under the age of 25 is on the rise again for the first time in 6 years. In 1979, a fairly serious year for juvenile delinquency in Shanghai, the proportion of those under the age of 25 who committed crimes amounted to 70.4 percent of all criminal cases. Following the "severe crackdown on crime" movement, the proportion had been decreasing progressively year after year, and by 1984 had fallen to 51.4 percent. Nevertheless, by 1985 the proportion rose again 58 percent. During this same time, the absolute number of those under the age of 25 who committed crimes increased 20.6 percent compared with 1984. Second, based on the year 1984, the number of criminals under the age of 18 continued to increase sharply, increasing 56.8 percent in 1985. Compared with 1984, this represents a rise of 3.7 percent of all criminal cases and 7.7 percent of all juvenile cases, with the difference being 16.8 percent and 33.3 percent, respectively, the highest since 1979.

2. Cases involving violent assault, robbery, and sexual crime have greatly increased. First, juvenile criminal cases involving robbery, injury, and violent assault have soared sharply, more than doubling in number. The most serious cases of stabbings in the last few years have tended to become a problem again in the first half of the year. Cases of violent assaults by juveniles fighting with weapons occurred in more than 30 middle-school neighborhoods in certain areas between January and May in 1985. From February to May 1985, a branch of the Public Security Bureau tracked down a total of 25 cases of middle-school students who broke the law or committed crimes, with as many as 16 cases of students forming armed gangs. Even the number of juveniles who are involved in criminal sexual activities such as

rape and indecent behavior has increased sharply by 42.5 percent since 1984, with the proportion of juvenile offenders under the age of 18 in these same cases already reaching 11.7 percent.

3. Vicious cases continually occur because of indulgences and reckless actions. In 1985, especially big cases of murder and robbery due to the enjoyment of blindly pursuing so-called "luxurious consumption" were uncovered all over the municipality. Juvenile offenders under the age of 25 accounted for more than 80 percent of the cases. The brutal methods of these juvenile delinquents make one bristle with anger.

4. A group of juvenile delinquents has newly emerged who use extremely dangerous methods to vent their anger and retaliate against society. This has seldom been seen in recent years. For instance, at a certain school a 16-year-old schoolboy named Zhang went from listening to an enemy broadcasting station to publicly expressing his grievances among the teachers and students. In order to achieve his goal of blowing up an entire classroom building to vent his feelings, Zhang carried out 15 outdoor trial explosions in a row. Luckily, he was interrogated by the authorities in time. According to incomplete statistics, districts and counties such as Huangpu District, Baoshan County, and others have all encountered this kind of dangerous juvenile delinquent.

II.

The causes of juvenile delinquency are extremely complicated, and involve different elements such as political, economic, and cultural education, historical circumstances, and the general mood of society as well as the psychological and physiological traits of the youngsters themselves. By looking broadly at the juvenile delinquency situation in 1985, we can predict the following emerging trends in Shanghai within the next few years:

1. The changing trend of lower-age children committing crimes will continue to rise over a fairly long period of time. This is because:

First, objective negative factors in the process of modernization will, to a certain extent, play a role. Since China is now in the process of undergoing an important historical transition, evolving from a "dress warmly and eat one's full" type to a "comparatively well-off" type, the negative influences of the economic takeoff following the opening to the outside, as well as the decadent thinking and lifestyle of capitalism, will particularly influence young people.

Second, the age makeup of Shanghai's population will cause the base of juvenile offenders to increase. According to 1983 statistics on population data, Shanghai now has more than 6 million people under the age of 30, with more than 4.5 million people under the age of 25. This is an important factor that cannot be ignored.

Third, Shanghai will be confronted with a new peak in the number of births, and when the time comes, entering school for primary- and middle-school students will become a serious problem. According to Municipal Education Bureau reports, Shanghai now has 480,000 middle-school students and 830,000 primary-school students. At the same time, because young people between the ages of 21-30 in this municipality increased 86 percent compared with 9 years ago, Shanghai will consequently be faced with 10 continuous peak birthrate years after 1987 because more than 400,000 young people will marry during the course of the Seventh 5-Year Plan, and more than 500,000 "educated young people" (school graduates) will return to the municipality. When the time comes, the number of primary-school pupils will rise sharply, and the teachers and schools we now have will be inadequate. Full-time primary schools will have to institute a "two shift system," with half-day classes at school and half-day classes at home, and some middle schools will be seriously affected. By that time, a large number of children will be wandering about society. Knowing that the problem of children's sports stadiums and places for recreational activities throughout the municipality have not yet been resolved, and that some districts and departments have not paid enough attention to this, the consequences are very hard to imaging.

2. The "urbanization" trend in criminal methods will become increasingly prominent. So-called "urbanization" is a general term that refers to the change in some of the various characteristics of urban crime such as how this kind of crime is becoming more technical, more sophisticated, and more brutal. This is because:

First, in the past few years, due to the expansion of China's scientific, technological, cultural, and educational undertakings, many of the educational ideas of the juvenile delinquent are different from before, and juvenile delinquents take advantage of these scientific, technological, and cultural achievements to carry out criminal activities. In the early part of the sixties, a certain national delegation investigation crime had expressed astonishment over the simple methods used in homicide cases in China (clubs, scrapers, and ropes were used in nearly all cases). In the beginning of 1985, however, when looking at the counterrevolutionary murder and armed robbery case of the apprehended Ren brothers, the criminals not only manufactured highly advanced, extremely lethal weapons and reproduced "modern weapons" used on the battlefields of Vietnam, they even planned to manufacture "poison gas shells" to carry out armed robbery. In case their plot fell through and was exposed, they planned to use a "remote control device" to set off an explosion to provide themselves with a cover while they fled. When committing the crime, the Rens even drove a car and went so far as to have three walkie-talkies ready for communication purposes. Of course, although this is merely an unusual example, it nevertheless reflects a sign of "technicalization." Among many of the primary- and middle-school students who committed crimes and were apprehended, it was already fairly widespread to use glasses for disguise, gloves to prevent fingerprints, and medical plaster to remove glass, and to destroy the scene after committing a crime to eliminate all traces of evidence. Even though it is not very clever, the thorough planning shows that, within

the past few years, juvenile delinquents have matured, and the planning reflects a trend to commit "crimes with intent."

Second, the accelerated pace of opening up to the outside and the rapid expansion of the mass media have produced secondary effects and influences. According to the statistics of relevant departments, the increase in foreign consulates in Shanghai went from one in the early sixties to nine by the beginning of 1985. In the same period, foreign trade organizations increased from 4 to more than 100, and foreigners entering Shanghai increased from 30,000 to more than 500,000 people. In addition, overseas movies and television shows, pictorials, and publications have increased year after year. Moreover, in looking at mass media methods within China, the various channels of communication have expanded enormously. Taking only television as an example, by 1984, already 97 percent of each 100 staff and worker households in Shanghai-owned televisions. In 1978, only 27 percent owned televisions, thus the figure has increased more than three-fold within 5 years. This and other examples like the large quantities of information being passed on to society, the good and the bad existing side by side, and a large group of lower-age juveniles with the "power of immunity" make it extremely easy for crimes to happen.

13138/12851
CSO: 4005/083

SHANGHAI PARTY SECRETARY, LITERARY CONTROVERSY DISCUSSED

Beijing LIAOWANG [OUTLOOK] in Chinese No 38, 22 Sep 86 p 14

[Article by Zhao Lanying [6392 5695 5391] and Chen Maodi [7115 3029 1717]:
"Rui Xingwen and the Writers"]

[Text] The Municipal CPC Committee Secretary Reviews Drama

Shanghai's third annual drama festival came to a close; two new plays, "Xunzhao Nanzihan" ("Looking for the Intrepid Man") and "Shazi Jinxingqu" ("March of the Idiot"), sparked a lot of debate; and drew praise and censure. Because these two plays were criticized by a certain leading comrade, playwright Sha Yexin [3097 0673 2450] and others carried with them a heavy ideological burden. When the news reached Rui Xingwen [5360 2622 2429], he arranged to attend several new plays, including these two, even though he was in the middle of an important meeting of municipal party delegates. Afterwards he held a drama symposium which Sha Yexin and others also attended.

"Xunzhao Nanzihan" is a play about a woman looking for the right marriage partner. After an exhaustive search she eventually falls in love with a young plant manager who dares to explore new ideas and attempt changes. Critics point out that the play has hidden connotations, that it is an expression of "dissatisfaction with realities." "Shazi Jinxingqu" depicts Wu Nianguang, an individual from Wuhu, as the prototype in real life in the portrayal of a flawed individual entrepreneur. Some critics find the hero "selfish" and "interested only in making himself rich without helping others to get rich."

Rui Xingwen spoke frankly at the symposium. "Drama, on the whole, is healthy, progressive, and rich in creative and probing spirits; it reflects the times and the realities in life and boldly exposes the issues. I do not think that 'Xunzhao Nanzihan' has any hidden connotations: conservative and timid people who are totally dependent on their leaders, who cannot function without the leader do exist in real life. If we all are like that, there will be no hope for reforms. Criticisms of the play 'Shazi Jinxingqu' are even more harsh, but I don't think it is that bad. The artistic stereotype 'idiot' does exist. He pursues personal wealth. We should praise those who lead the people to prosperity, but we must tolerate those who are interested only in their personal wealth. To create something with a reform theme is difficult but reform needs this kind of work."

He went on to say that as a leader he expresses only his personal opinion, and a leader's words are not foregone conclusions, but serve to broaden people's minds.

After the meeting, Sha Yixin said that "leaders are not gods, they cannot be expected to know everything. But if a leader is democratic, if he is receptive to other ideas, if he understands people and is willing to help when help is needed, then he is a good leader. Rui Xingwen's review of these plays is thorough and I have no complaints."

"We Must Trust These People"

In a quiet dormitory at the Fudan University, the well-known author of the novel "Ren A Ren", Dai Houying [2071 0624 5391] told the reporter a story:

In April the Chinese University, Baptist College, and Lingnan College in Hong Kong invited Dai to lecture in Hong Kong. However, she encountered trouble with the examination and approval departments which withheld her visa for no apparent reason. The hot-tempered Dai Houying sent a sharply worded letter to Rui Xingwen expressing her resentment. Upon receiving the letter, Rui called the departments involved and criticized their action as bureaucratic and unreasonable. He demanded that Dai be permitted to leave for Hong Kong; he pointed out that our nation's writers and artists love the country, the people, and the party, and they must be trusted.

Rui Xingwen has always emphasized that people must trust the intellectuals, the writers, and the artists. He said that when he read "I Am the Party's Writer, the Party's Man" in the XINHUA dispatch, he was greatly moved. The majority of our literary and artistic comrades are good people, and this is a trustworthy contingent. In deciding whether to allow a prominent actress from Shanghai Ballet Company to perform abroad, despite some people's objections, Rui insisted that she be permitted to go. He explained that to deny her the opportunity to perform is to show disrespect for her art and her artistic life. He believes that she will return, and if she does not we have only ourselves to blame because that indicates that we have not done our job, that we have failed to take care of our own people. At the end this actress not only complied with all regulations as she performed, she performed magnificently, won her audience over, and brought honor to her country.

Rui Xingwen "Lost His Temper"

Rui Xingwen is a tactful person who seldom reprimands others harshly. But not long ago an incident caused him to "lose his temper."

Well-known translator Cao Ying [5430 5391] was tormented during the "cultural revolution" and still suffers from the lingering effects which require constant medical care. For many years he could only afford to go to the neighborhood clinics. When Wu Bangguo [0702 6721 0948], deputy secretary of the municipal CPC committee, learned of this, he asked the comrades in the appropriate departments to take care of the matter and restore Cao Ying's

pre-cultural revolution medical care privilege at the Huadong Hospital. However, this attempt was blocked by a certain head of the department, and the matter dragged on for 4 months. Helpless, Liu Wenqing [0491 2429 1987], chief of the deputy secretaries, reported the incident to Rui Xingwen. Rui was furious: a world-renown translator is being denied proper medical care, which is ridiculous. Even when the leaders of the municipal party committee take up the matter personally it remains unresolved after 4 months: if this is allowed to go on, how can we even begin to talk about making an effort to make this country prosperous? The matter concerning Cao Ying must be resolved, otherwise I will go so far as to propose the dismissal of that particular department head.

The importance attached to the medical care of Cao Ying by this municipal party committee secretary has become a legend in Shanghai's literary and art circle and beyond. People say that although it is a minor incident, it makes one feel good to hear about it because here one meets a truly warm-hearted party leader.

12986/13104
CSO: 4005/107

SOCIALIST SPIRITUAL CIVILIZATION IN SHENZHEN SEZ

Guangzhou ZHONGSHAN DAXUE XUEBAO [JOURNAL OF SUN YAT-SEN UNIVERSITY] in Chinese No 3, 1986 pp 61-66

[Article by Chen Ruilian [7115 3843 5571]: "Exploring the Theoretical Basis for the Development of Socialist Spiritual Civilization in the Shenzhen SEZ"]

[Excerpts] Following implementation of the principles and policies of opening to the world and on invigorating the domestic economy, the Shenzhen SEZ has developed an economic system in which diverse economic components coexist, with a dominant position taken by joint venture, cooperative management, and foreign-financed enterprises.

As to the cultural-intellectual aspects of and facilities provided for the development of spiritual civilization in the SEZ, we see that these are directly linked with the economic development of the SEZ. The economic development, therefore, naturally and directly promotes the development of cultural facilities and cultural-educational undertakings in the SEZ. According to statistics for the last few years following the economic development of the SEZ, 191.83 million yuan of municipal funds have been spent on capital construction of facilities for spiritual civilization, which is 47.48 percent of the total local expenditure on capital constructions. In the past, Shenzhen had no institutions of higher learning, and few middle and primary schools, and the general situation in these was, furthermore, one of "difficult entry, poor quality, and weak management." Now the city has 1 university, 1 teacher's college, 7 specialized secondary schools, 1 staff and workers' vocational school, as well as 17 middle schools, 63 primary schools, and a number of nursery schools. Facilities for the popularization of cultural-educational matters too had to be created from scratch. Television and radio stations have been set up, and there are now the following newspapers and periodicals: SHENZHEN SEZ, SHENZHEN YOUTH, SHENZHEN WORKER, SEZ LITERATURE, SEZ ECONOMICS, PARTY LIFE IN THE SEZ, S&T IN THE SEZ, and others. Moreover, construction has been completed, or is underway, for a sports center, a large theater, an information and culture center, a museum, an exhibition hall, a science center, a workers' cultural palace, a youth palace, etc., while the level of education and knowledge among cadres, staff, and workers has been rapidly going up. Prior to the establishment of the SEZ, many youths were unwilling to go to school, some dropped out even after passing entrance examinations to middle schools and universities. Now, there

is intense interest in Shenzhen to acquire knowledge and go to school. Not only youths of the normal age groups are eager to study, but cadres, staff, and workers press for participation in various spare-time supplementary classes and self-study examination activities. According to statistics, 70 percent of the cadres, staff, and workers take part in diverse forms of study classes. Youths use 65 percent of their spare time for studies and 25 percent for recreational activities. In 1984, the Xinhua Bookstore put on sale over 3 million books; average sales throughout the city was 17 books per person, more than double the average in the entire province. Acquiring education and knowledge has become an urgent need for everyone in the SEZ. It is beyond doubt that the high-speed economic development of the SEZ will be followed by a very substantial rise in the educational and intellectual level of the SEZ's population.

Even though joint venture, cooperative management, and foreign-financed enterprises are the major components of the SEZ economy, it is not a pure capitalist economy, but a cooperation of socialist economy under the leadership of a socialist state with capitalist economy. It is a "foreign trade oriented" economy, which, according to the needs of the state's four modernizations, and in a planned and goal-oriented manner, absorbs and uses foreign capital, and imports advanced technologies, in service to the realization of the four modernizations. Though the pattern of cooperation with foreign businessmen may differ greatly in forms of investment, economic scope, and distributions of profits, all must submit to the supervision and control of China's socialist state and must conduct their business operations within the scope allowed by the relevant laws, decrees, and regulations of the Chinese socialist state and of the SEZ.

The practice of the Shenzhen SEZ is precisely like this. During the last few years, the municipal CPC committee, aiming directly at the actual conditions in the Shenzhen SEZ, has been conducting uninterrupted education in revolutionary steadfastness and faith in communism among party members and cadres. This committee has emphasized over and over that demands on party members and cadres in the SEZ must be particularly severe, discipline must be particularly strict, and style of work must be particularly good. The committee has, furthermore, published and is enforcing "Regulations for SEZ Cadres," "10 Provisions to Improve Party Work Style," and "5 Measures to Correct the Unhealthy Tendency of Misusing Power for Private Gain," thus resolutely striking out against criminal activities in the economic field as well as in other fields. Moreover, with honesty in performing official duties as main theme, the committee commanded and set up as examples several persons of progressive character who resisted corruption and remained forever untainted. It used every propaganda tool to propagandize widely the deeds of these persons and arranged for them to tour the area and give reports in person so as to exert an influence through their personal examples. In these ways, the committee conducted concrete and vivid education against corruption, which was very effective in encouraging healthy trends and build up resistance against unhealthy trends.

At the same time as the party committee strengthened its ideological efficacy, it made unremitting efforts to educate the masses in ideals, ethics, and discipline, maintaining communist ideology at the core of all these topics.

The committee worked hard to nurture a generation of people of a new type and to initiate an era of a new work style. The Youth League and the labor union organize their members and other youths each year to launch "do good deeds" movements on a wide scale, in emulation of Lei Feng [7191 6912], also to run "service to you" markets, and other large-scale movements, such as "day of unity of action with Lei Feng" and "day of communist voluntary labor." Over 100,000 persons participated in these activities, which were very effective. Emergence of large numbers of progressive personalities, radiating with the brilliance of communism, is effective in overcoming and resisting the influence of capitalist ideology.

Before establishment of the SEZ, Shenzhen was a small backward border town, where productive forces developed slowly and the masses lived in great poverty. The average annual income of a peasant was 130 yuan, and the average monthly income of staff and workers was also only a little over 50 yuan per month. This made many people lose confidence in socialist construction and doubt the superiority of socialism, so that at one time flight to Hong Kong had been rampant. Although the local government did adopt a variety of measures, it could not solve the problem. After opening up to the outside and starting the SEZ, industrial and agricultural output value doubled and redoubled year by year. In 1984, the gross value of national production of the city reached 1.95 billion yuan, of which 1.8 billion was GVO. This 1 year's gross output value was more than that of the total 4 preceding years, and the total of the 4 preceding years was again 66 percent more than the total during the 30 years preceding the establishment of the SEZ. The per capita national income throughout the city exceeds \$1,000, and the living standard of the people has risen substantially (above statistical data are from "Some Questions Regarding the Development of Spiritual Civilization in the Shenzhen SEZ," published 16 May 1985 by the propaganda department of the Shenzhen CPC municipal committee). Development of productive forces and improvement in material living conditions made the masses realize within the sphere of their own personal interests, and also in a comparison of the socialist and the capitalist systems, the superiority of the socialist system, a fact which stimulated patriotism and love of socialism among the people. This not only caused the trend of flight to Hong Kong to cease, but induced more than 1,000 persons who had illegally left the country to return permanently of their own accord, while many more hope to return. This fact is most significant. It demonstrates that the masses have gained greater socialist ideological awareness and that socialist spiritual civilization has developed, facts which are all, in the final analysis, resulting from the development of the productive forces, and which, furthermore, promote consolidation and development of the socialist production relations. During the last few years, economic development of the Shenzhen SEZ has laid a firm material foundation for the development of socialist spiritual civilization.

To sum up, there is a substantial theoretical basis for the development of a high degree of socialist spiritual civilization in the Shenzhen SEZ. The SEZ has leadership by a communist party, a regime of a people's democratic dictatorship, and a socialist economic and material foundation. In the wake of the economic construction in the SEZ, development of socialist spiritual civilization has already accomplished great achievements and will accomplish even greater achievements in the future. There is no basis for doubt, or even

denial, that the SEZ can achieve a high degree of socialist spiritual civilization.

Of course, we must not hide the fact that development of a socialist spiritual civilization in the SEZ will be an extremely arduous task. Though this is true, certain successes have indeed been achieved owing to the fact that the municipal party committee of Shenzhen laid stress on the development of spiritual civilization and has energetically fostered socialist spiritual civilization with communist ideology as its core. However, there is a disparity in progress between the development of socialist spiritual civilization and the creation of the SEZ's material civilization. Production has been developed, but educational-cultural facilities are still relatively backward. In ideological respects, the pernicious influence of capitalism has not yet been reduced to the lowest possible limits. Under the influence of decadent capitalist ideology, some people "look for money as if it were everything," some people worship and have blind faith in everything foreign, and imitate indiscriminately Western bourgeois lifestyles. Some people ignore and forget lofty ideals and the future of the motherland, seek only to promote their own selfish interests, and spread bourgeois ideas of selfishness with such sayings as "ideal, ideal, have money will deal; prospects, prospects, have money will prospect." Under the impact of such decadent mentality, some people are driven by their craving for money to speculating and fraud, smuggling and dealing in contraband, perverting justice for a bribe, and causing malicious harm to the state. It is imperative that serious attention be given to this state of affairs.

There are, of course, many reasons for the above-stated problems, but they are all in the end somehow bound up with the neglect in some units of efforts toward greater spiritual civilization and with the relaxation of ideological-political work. Precisely as Comrade Deng Xiaoping pointed out at the CPC National Congress, the development of socialist spiritual civilization, "viewed from the standpoint of the entire nation, has not yet achieved altogether satisfactory results, mainly for the reason that no serious attention was paid to the problem throughout the party." Since it is a fact that the proportion of the capitalist economic component in the SEZ increased in the wake of opening to the outside, the question of fostering socialist spiritual civilization should have been made an issue of outstanding importance, and the political-ideological work by the party organization within the enterprises in particular should have been further intensified. However, many party members and cadres are unable to accurately recognize the position and role of spiritual civilization and the task of the party organization under the new economic conditions. In the thinking of many comrades, economic work has "hard norms," while development of spiritual civilization is a "soft task." This is why development of spiritual civilization was not firmly taken in hand, and measures were not implemented. As a consequence, some took the lopsided view that operating the SEZ merely means to do more business and earn more money; they would only care to immerse themselves in production and would neglect political-ideological work. They would simply exaggerate one-sidedly the role of "economic methods," and belittle, negate, and even abolish ideological education. They would excessively and one-sidedly emphasize economic results and encourage the unhealthy tendencies of looking for money as if it were everything. This, no

doubt, gives objectively a green light to the entry over a broad front of decadent bourgeois ideology. A penetrating analysis of this problem has once been given by Comrade Chen Yun. He pointed out that opening to the outside will unavoidably lead to the intrusion of decadent bourgeois ideology and workstyle, but that this intrusion need not be feared if the party committees at all levels, all party members, especially old cadres, are clearly aware of this fact, maintain sharp vigilance, and carry out well-aimed education which has communist ideology as its core. We are quite certain that the truth of Marxism and communism can prevail over the intruding decadent mentality and workstyle of capitalism. It is worth our attention that presently many party members and cadres lack vigilance in this respect. During our study and exploration of ways to develop socialist spiritual civilization in the Shenzhen SEZ, we must therefore not only give theoretical explanations of the necessity and possibility of spiritual civilization, to strengthen the confidence of the people of the SEZ in an effective development of socialist spiritual civilization, but must also sufficiently recognize the arduous and complex nature of the undertaking. We must furthermore, therefore, overcome the tendency of deprecating the development of spiritual civilization, conscientiously explore the special laws of developing spiritual civilization in the SEZ, and raise development of the SEZ's socialist spiritual civilization to a higher priority.

9808
CSO: 4005/180

RENEWAL OF 'DOUBLE HUNDRED' POLICY EXHORTED

Chengdu SICHUAN RIBAO in Chinese 20 Jul 86 p 4

[Article by Zhou Kegin [0719 0460 5367]: "'The Double Hundred Policy' and Literary Criticism"]

[Text] Since the 3d Plenum of the 11th Central Committee, the development of our literary cause has been unprecedented in terms of both its breadth and depth. This fact bears an inseparable relationship with the gradual renewal of, reemphasis on, and correct implementation of the "double hundred" policy. The lessons of the past are indeed many; under the influence of the "leftists," the literary road became increasingly narrow and as a direct result, the "double hundred" policy could not be correctly implemented in an environment and atmosphere of this type. Therefore, it can be said that in China, the fate of literature is tied to the "double hundred" policy.

Only if a hundred schools of thought contend can a hundred flowers blossoming then appear. Moreover, this contention requires certain conditions. First, there must be an environment and atmosphere of unity, harmony, trust, and understanding; if the majority of people are made to feel nervous like birds frightened by the mere twang of a bow-string, then a contention will not come about. Second, each contending school of thought must maintain an equal and democratic approach and a work style of seeking truth from facts. The words of one school of thought shall belong only to that school of thought, and will not be imposed on other people. Third, the effects of force of habit must be overcome. The ceaseless campaigns of the past left sequelae of nervous reactions and lingering fears on many of society's people, which continues until today to affect the normal development of and contention in the literary field. Literary works can be praised to no end and lauded to the skies, but when the slightest criticism is made people immediately become nervous and begin whispering amongst each other, inquiring about its "background," and then the rumors start to fly. Furthermore, the leadership at units of those who have been criticized make no distinction between right and wrong, do not inform the criticized person of the situation, suppress criticism, and even view the criticized person "in a more favorable light," which has an effect on the person's joining the party, getting promoted, and having his wages adjusted. Rumor has it that some writers are capable of hearing only praise and are deaf to critical opinions. This then becomes a matter of personal growth. Art has no limits, so opinions of all kinds must be heeded for there

is always some merit to them. Society should provide ample support and encouragement for insightful and innovative works of art; however, this is not to imply that there can be only praise, that differing opinions cannot be expressed, and that those who criticize something be viewed as "nipping it in the bud." That is also a "custom handed down from the Cultural Revolution." Faced with this state of affairs, literary critics would naturally be reluctant to write articles to develop contention. Moreover, creativity would quickly be unable to flourish given such theoretical reticence.

In a favorable democratic environment and in an atmosphere of mutual understanding and mutual trust, the initiation and development of a healthy, normal type of literary criticism will inevitably promote the development of socialist literature and bring to the realm of creativity a spirit of letting a hundred flowers blossom and a hundred schools of thoughts contend.

13188/5915
CSO: 4005/932

POLITICAL, IDEOLOGICAL WORK IN YUNNAN DISCUSSED

Kunming YUNNAN RIBAO in Chinese 11 Jul 86 p 1

[Article by staff reporter: "In a Meeting on Ideological and Political Work, Zhu Zhihui Emphasizes Carrying Out a Total Reform and Building of the Two Civilizations, and Thoroughly Intensifying and Reforming Ideological and Political Work"]

[Text] In a report given yesterday morning at a provincial CPC Committee meeting on ideological and political work, Zhu Zhihui [2612 1807 6540], Deputy Secretary of the Yunnan Provincial CPC Committee, requested that CPC Committees at all levels intensify and reform ideological and political work and strive to bring about a comprehensive reform and the building of the two civilizations.

Comrade Zhu Zhihui's report was divided into four parts: 1) On the state of ideological and political work; 2) On the mission of ideological and political work in a new era; 3) Some basic experiences from the ideological and political work of the past few years; and 4) A concrete plan for current ideological and political work.

Zhu Zhihui stated that since the 3d Plenum of the 11th Central Committee, our province's economic and political situation is identical to that of the entire nation's, which has been the best period since liberation. Reform of the economic structure and other entities is proceeding in a comprehensive and healthy manner. Throughout the province, there is political stability and unity, the border areas are stable, and relations with nationalities continue to improve. Like the economic and political conditions throughout the province, the condition of our province's ideological front is also good, and the ideological and political main current of the vast number of cadres and the masses is healthy and climbing. The following points illustrate this: First, in carrying out a comprehensive reform, the cadres and masses have relied upon their own practice and from the expansive realms of economics, politics, and social livelihood have renewed their understanding of socialism, while on an ideological level, a series of positive changes have taken place. Second, the party line and its general and specific policies have worked their way into the hearts of the people and have received the wholehearted support and backing of the vast number of cadres and the masses. Third, over the past few years, the party's work style and the general mood of society have taken a clear turn for the better. Fourth, cadres at all levels have also conducted positive probes and reforms on how to intensify ideological and political work under these new conditions.

He stated that naturally, we cannot overestimate the work of building a spiritual civilization. We must come to the sober realization that in the current process of building a spiritual civilization, and especially in our related ideological and political work, considerable gaps and a good many glaring problems remain. Zhu Zhihui pointed out that in a new era, the party's ideological and organizational work must seek to steadfastly and thoroughly implement the guiding policies which serve to realize the party's general mission and overall objectives and closely integrate economic construction with economic structural reform. At present, we must focus sharply on the reform, beat gongs to clear the way for the development of new forces of production, mobilize the various nationalities throughout the province to dedicate themselves to the reform, strive to develop a socialist commodity economy, resolutely correct unhealthy tendencies, ensure the smooth implementation of the reform and the success of the Seventh 5-Year Plan, and accomplish each of this year's production tasks.

In his report, Zhu Zhihui summarized eight basic experiences from the entire province's ideological and political work of the past few years: 1) The leadership attached importance to this work, established a system of responsibility for ideological and political work, held multilevel examinations, and strived for efficiency; 2) The building of a strong party and correcting the party's work style was emphasized as the basis for accomplishing ideological and political work; 3) Dredging and education policies were supported, and the basic spirit of socialist democracy was carried out in ideological and political work; 4) Investigative research, some of which hit the mark, sharpened the direction of ideological and political work; 5) A thing was considered as it stands, people convinced by force of argument, and the conviction in ideological and political work was strengthened; 6) Advanced models possessing modern characteristics were used to conduct vivid and concrete education of cadres and the masses on ideal discipline; 7) New conditions were met, measures suited to local conditions, various conditions adopted, and vivid and vigorous ideological and political work conducted; 8) Reliance on the force of the entire party and departmental coordination fully intensified ideological and political work.

Lastly, representing the provincial CPC committee, Zhu Zhihui provided a concrete plan for current ideological and political work. First, with regard to the aspect of shaping ideology, four points must be emphasized: continue the general and in-depth implementation of conditional policy education; intensify education in the party character which centers on bringing about a turn for the better in the party's work style; intensify education on ideological discipline and the legal system which centers on bringing about a turn for the better in the general mood of society; actively probe and research the major issues surrounding economic construction and the reform, and strive to intensify fundamental Marxist theory education for cadres. Second, with regard to the aspect of building culture, the work of culture, education, science and technology, health, news publishing, television broadcasting, etc., must all be improved and developed to some extent. Currently continue to correct professional guiding ideology, making social effects the chief criterion, and support the reform. Third, strengthen the building of the ranks and file in ideological and political work.

Zhu Zhihui stressed that the success of ideological and political work hinges on the importance leadership attaches to it. CPC committees at all levels must earnestly strengthen leadership in ideological and political work, and accomplish the building of a material civilization and a spiritual civilization to the point where the burden of the two is shouldered together, the two tasks are performed as one, and the results of either are just as important. Under the unified leadership of the CPC committees, each department responsible for ideological and political work must define its duties; there must be both division of labor and close coordination, and the work is to be accomplished together, so as to contribute to the advancement of the reform and the building of the two civilizations throughout the province.

13188/5915
CSO: 4005/932

INCREASED COOPERATION BETWEEN PARTY, GOVERNMENT, NPC

Beijing RENMIN RIBAO in Chinese 18 Oct 86 p 4

[Article by He Ping [0149 1627] and Chi Maohua [3069 5399 5363]: "Zuoyun County CPC Committee Rectifies Past Practices of Substituting Party for Government and Monopolizing All Power; Division of Responsibilities Among the Party, the Government, and the People's Congress Leads to Improved Efficiency"]

[Text] In Shanxi's Zuoyun County the issues which concerned the people most were: water supply for people and livestock, commitment toward the teachers' salary in the schools run by the local people, and the teachers' and their family's provisional food supply subsidies. These problems basically have been solved. This is the result of improved work efficiency and the efforts of the county government under the supervision of the people's congress subsequent to the implementation of separation of party and government.

Since universal legal education of the people was launched the leaders of the county party committee have become more knowledgeable about the legal status and the scope of authority of the county people's congress and the county government by studying the constitution and the laws on local organizations. As a result they have allocated power among the county party committee, the people's congress, and the government according to the law, and properly handled the relationship among them. The county party committee rectified the past practices of monopolizing all power and substituting the party for the government and gave full recognition to the respective authorities of the county people's congress and the county government. As a result there is a new environment where each establishment has its share of responsibilities, each strives to do its best, and at the same time each cooperates with and supports the other.

Early this year the county proposed to perform 10 tasks for the people. To ensure that the county government fulfills this promise the standing committee of the county people's congress instructed the county government to formulate specific solutions to the three problems which most concern the people and also required them to submit progress reports to the standing committee. The deputy chief of the county and the comrades in charge of the water conservancy department, the education department, the ministry of finance, and other relevant departments gathered together to study the problems and allocate

manpower, materials, and financial resources and established implementation procedures and a timetable; they also submitted formal reports to the standing committee of the county people's congress which in turn promulgated the "Resolution Concerning Expediting the Solutions to the Problems of Water Supplies for Rural Population and Livestock" and the "Resolution Concerning the Active Preparations To Guarantee Teachers' Salary in Schools Run by Local People." These measures define the issues systematically. The county people's congress also dispatched a working group to the countryside to investigate and report to the county government on the progress and problems of implementation. The people's problems were solved in a relatively short time.

The county government generally defers to the standing committee of the people's congress on major decisions. Last June the standing committee discovered that the government's scope of basic construction was too ambitious and if allowed to stand would be too expensive. The committee suggested that it should scale it down. The county government abandoned some projects and was able to avoid running up a deficit. In August of this year, the county government planned to add 600,000 yuan worth of production items. They submitted a formal report to the standing committee of the county people's congress and proceeded only upon approval of the standing committee.

The standing committee also exercised the cadre personnel appointment and dismissal authority bestowed by the constitution. In June of this year the standing committee discovered among some county government documents that the chief of the public security bureau had been appointed without the standing committee's prior approval. The committee sent a letter to the county government and pointed out that such an action was unconstitutional and demanded rectification. The county government complied immediately. In August the appointment of that comrade was legally confirmed by the standing committee.

Today, the leaders of the Zouyun County party committee have been relieved of their busy administrative duties. From January to August of this year they were able to go down to the grassroots 5 times to carry out studies, made some 30 or more reports, and effectively extended their guidance in many tasks throughout the county. On the other hand, the workload of the standing committee, which used to be relatively light, has increased significantly.

12986/13104
CSO: 4005/096

RURAL PARTY RECTIFICATION DISCUSSED

Taiyuan SHANXI NONGMIN in Chinese 16 Oct 86 p 1

[Text] Editors Note: By arrangements of the provincial party committee, party rectification work in the villages and townships of our province will start this winter to spring of next year. Now, that the autumn harvest is about completed, preparations are being made for party rectification. Many letters from cadres and the masses report that it is difficult to draw lines of demarcation in applying certain policies regarding party rectification. In the following, we are therefore giving answers to certain questions, in accordance with the spirit of relevant directives from the Central Committee and the provincial party committee.

Question: What principles have to be observed in the present party rectification in rural areas?

Answer: Party rectification in the villages and townships of the rural areas must conscientiously implement the principle of "solving problems, without creating disturbances." "Party rectification must resolutely uphold the policy of promoting, guaranteeing, and reforming economic development." The problems to be dealt with are correcting unhealthy tendencies and tightening party discipline, while attention should also be paid to preserving the enthusiasm of party members, cadres, and peasants for reform and economic development.

Question: How are we to deal with party members and cadres who take part in gambling?

Answer: Party members and cadres who have in the past occasionally taken part in gambling of a less than serious nature should primarily be subjected to criticism and undergo education, thereby ensuring that it will not happen again; in that case the matter need not be pursued further. Cases of repeated gambling of a comparatively serious nature must be thoroughly investigated, unlawful profits should be confiscated, and the culprits should suffer necessary disciplinary punishment by the party, even possibly be expelled from the party. Those who make gambling a for-profit enterprise or do it professionally must be punished according to law.

Question: What to do with party members who only arrange for their own livelihood and fulfill no functions?

Answer: Cases of party members who, over long periods of time, do nothing but arrange for their own livelihood and fulfill no functions as party members have to be dealt with in different ways according to circumstances. If the cause is the imperfect basic-level arrangement for livelihood, the party organization must bear responsibility, and the problem should be resolved by perfecting the party organization's livelihood system. Old and physically weak party members, those who are no longer fit to work, or who for other reasons experience actual difficulties and cannot participate in party activities, should not be regarded as "fulfilling no functions," but should be registered. In the case of party members whose revolutionary will has been waning and who do not fulfill party obligations, who without excuse over long periods of time do nothing but care for their own livelihood, do not do party work, do not pay party dues, but who show a willingness to change after undergoing education, registration may be deferred, awaiting later results. If they do not change after all, they may be urged to resign from the party or have their registration denied. If party members engage in business, and over long periods of time had only cared for their own livelihood, had not pay party dues, but on the present occasion participate in party rectification, undergo education, and make up overdue party dues, they should be registered. In the future, if the unit at the work place has a party organization, a person's organizational party relationship shall be transferred to the party organization at the work place. If that unit has no party organization, the person in question shall periodically report his ideological state to the party branch at his village, punctually pay party dues, and accept supervision by the party organization.

Question: How are we to deal with party members who have taken part in marriage by sale?

Answer: If someone has committed an error of a general nature, the main thing to do is to subject him to criticism and have him undergo education. Disciplinary punishment shall be imposed in cases of violations of freedom of marriage under aggravated circumstances. In case of serious consequences, criminal responsibility shall be investigated.

Question: How are we to resolve cases of party members and cadres misappropriating public property and delaying repayment of public funds?

Answer: Party members or cadres who use their powers of office to misappropriate public property (including private unauthorized division of fines, arrogating of funds) must be made to return material or repay funds. If the original material is no more extant, it shall be converted into money, and all damage to material must be compensated. Anyone who of his own accord institutes an investigation and effects restitution shall be exempt from sanctions. Those who conceal the facts and do not effect restitution, or cases involving large sums or serious circumstances must be dealt with with severity.

Cadres who have delayed repayment of public funds (including purchase prices and funds from contracts to be turned over to the treasury) shall make payment of their own accord. If making a lump-sum repayment is found to be difficult, a repayment plan shall be worked out, which, after discussion and approval by the masses, shall be followed in repaying the funds in predetermined installments. In the case that public funds are used without authority for private business activities, and a thorough investigation has been made, and a one-time repayment of capital and interests (calculated at bank interest rates) has been effected, no further measures need be taken. Any cadre who, individually or with others, encroaches upon, misappropriates, or privately without authority divides up disaster relief, poverty relief, and other funds or materials of this nature, must be severely punished. Where the circumstances of such cases are serious, or where evil consequences have resulted, punishment shall be meted out according to law.

Question: How are we to deal with problems that exist in the management of rural enterprises?

Answer: The overall guideline is one of relaxation and invigoration; respect the self-determination in business affairs of rural enterprises, encourage them to continue their courageous reforms and business development, don't impose excessive restrictions, don't hamper their initiative.

If, during the reform, inappropriate measures have led to certain errors in operations, and these errors were due to unclear lines of demarcation in policies, or due to inexperience, the main thing to do is to sum up experiences and lessons, without further investigation into the personal responsibilities.

Remuneration to cadres, staff, and workers of rural enterprises must be linked to the economic effectiveness of the enterprise in question. Policy allows following the principle of more pay for more work, comparatively high income for anyone who makes a large contribution, and appropriate remuneration for professional, scientific, and technological personnel who make valuable contributions by providing the enterprise with information, or by linking business with purchase and marketing activities. However, if the interests of the state and the collective are disregarded, and such actions are engaged in as deceptions, making false reports on income and profits, providing no accumulations, dividing up and consuming all assets, such actions are erroneous and must be rectified.

Necessary entertainment and the sending of gifts in the course of normal business operations of rural collectives or enterprises must not be regarded as unhealthy trends, or as the giving and taking of bribes. However, there should be a collective discussion to determine norms for entertainment and rules for presents. One must not misuse the opportunity for lavish feasts and present gifts that are out of proportion.

Those who, under the pretense of reform, take advantage of the opportunity to use their power for private gain, seek private enrichment at public expense, or even go so far as to employ illegal means to defraud people whenever an opportunity offers itself, who evade taxation, practice graft and

embezzlement, give and take bribes, and manufacture and market spurious goods to reap huge profits, must be dealt with severely according to party discipline and state law.

When dealing with the problems of certain individuals, special attention must be given to protect the rural enterprises, so as not to have any adverse effect on the regular business and development of an enterprise if penalties have to be imposed on certain individuals. Where adjustments of the leadership are necessary, such adjustments must be promptly carried out. Where there are genuine difficulties in business operations, assistance should be rendered to resolve the difficulties.

Question: How are we to deal with party members who participate in religious or feudal superstitious activities?

Answer: Party members who participate in religious activities should be admonished to stop and to undergo education. If they persist in their religious beliefs even after education, they should be urged to resign from the party. However, this should not be made an issue in the case of party members of minority nationalities who participate in their ethnic activities that have religious connotations.

In the case of party members who participate in general feudal superstitious activities, the main measures to be taken are criticism and education, raising their knowledge, and having them acquire a materialist world outlook. If the circumstances are serious and the person in question does not reform after undergoing education, appropriate penalties should be imposed on him, and he may even be expelled from the party.

Anyone who professionally propagates feudal superstitions, helps stir up religious fanaticism, engages in the activities of reactionary sects and secret societies, is in opposition to the four fundamental principles and in opposition to the line, principles, and policies of the party, who disrupts the unity of the state, and the solidarity of all nationalities within the state must be relentlessly purged from the party. If criminal law is violated, the culprit is to be punished according to law.

Question: How are we to resolve problems in cases where cadres contract for work?

Answer: The circumstances referred to in this question are rather complex and have to be dealt with in different ways.

Major primary-level village cadres (referring to party branch secretaries, village chairmen, accountants) may contract for collective undertakings, in view of the actual needs of development of the collective economy, and in accordance with state legal provisions, if the undertakings will ensure common prosperity for their villages. However, it is not permissible to attempt to enrich oneself personally by the misuse of power or to harm the interests of the masses.

Once party members and cadres, desirous at the time of taking the lead in implementing the responsibility system, have contracted for a collective production undertaking, but find, due to inexperience, that contract norms are not at all rational, generally, they may not institute contract changes after completing all contract procedures, they must rather await expiration of the contract and then conclude a new contract. If the contract is obviously to a large degree unreasonable, the contract should be perfected and the problem appropriately resolved. Village party members and cadres who, merely relying on power, "neither invest money, nor equipment, nor labor," in an enterprise run by themselves or together with others, but merely bring in "power" as their share, must make a clear statement of facts to the party organization, have an investigation made, and return all dividends received to the enterprise. In case of aggravating circumstances, or if facts are concealed and not reported, a disciplinary penalty shall be imposed.

Question: How are we to handle the unhealthy trend of people trespassing on land to build houses?

Answer: Party members and cadres must set an example in the observance of the state's rules and regulations on land administration. In case anyone, without having obtained approval through proper legal procedure, forcibly takes possession of land, or occupies more than his share of land to build a house or to carry out any other construction, which he again sells after approval, selling at much above construction costs, or if he leases it at high rental to make a profit, or if anyone engages in the illegal trading in land, he must, according to the legal provisions of the state, return the land and pay a fine. He must also remove the offending improvements, and his illegal gains must be confiscated. He must be, furthermore, subjected to a thorough investigation in the course of party rectification, and will have to suffer disciplinary punishment, in case the severity of the circumstances justify it.

If, in the course of house construction, advantage was taken of one's power to misappropriate public funds, to buy building materials at low prices, or to usurp labor without pay, compensation shall be paid in full. In case of aggravating circumstances and serious consequences, disciplinary penalties shall be imposed.

Question: How are we to deal in a discriminating way with the problems that exist in the work style of cadres?

Answer: We must distinguish three kinds of circumstances: First, there is the problem of their resorting to coercion and authoritarianism in their work; there we have to make a concrete analysis. If it is only because of heavy workload, shortage of time, if acts of coercion and authoritarianism arise from impetuosity and the simplicity of procedures, and if such acts, furthermore, did not have any serious consequences, there shall be criticism and education, a thorough summing up of experiences and lessons, and corrections shall be effected, but no investigation into personal responsibility shall take place, in order to protect the work enthusiasm of the cadres. Second, all those who rely on power, act like tyrants, bully and oppress the masses, extort money from the masses, act like overlords, tyrannize fellow villagers, seriously endanger the personal safety and the

property of the masses, and seriously disrupt the relations between party and masses, must be punished as they deserve, also made to publicly acknowledge their mistakes to the masses and pay compensation for any losses caused to the masses. If criminal law is violated, criminal responsibility must be investigated. Third, if party members and cadres in their work submit exaggerated and false reports, or cheat people out of recognition and gain, they must be investigated, they must be resolutely made to correct their attitudes, and under aggravating circumstances must suffer disciplinary punishment.

Question: How are we to actually figure out a rational allowance for cadres?

Answer: The allowance for primary-level village cadres should generally take the average income level of labor in the district in question as criterion; it should be discussed by the masses and approved by the village and township government. Relatively high remuneration given after discussion by the masses to those who have made comparatively larger contributions must not be made an issue. However, allowances which the cadres themselves fix, without discussion by the masses or approval by the village or township governments, must, if the masses raise objections, be deliberated again and reassessed.

9808

CSO: 4005/175

NORTH REGION

REGIONAL AFFAIRS

HEBEI CPPCC COMMITTEE MEETING HELD 14-16 OCT

SK040752 Shijiazhuang Hebei Province Service in Mandarin 2300 GMT 16 Oct 86

[Excerpts] The 13th Standing Committee meeting of the 5th provincial CPPCC Committee was held in the provincial capital from 14 to 16 October. The main items on the agenda of this meeting were to relay, study, and implement the guidelines of the 6th Plenary Session of the 12th Party Central Committee. The meeting relayed the important speech by Comrade Xi Zhongxun, member of the Political Bureau of the party Central Committee, at the 13th Standing Committee meeting of the 6th National CPPCC Committee.

The CPPCC members participating in the meeting conscientiously studied and discussed the documents of the 6th Plenary Session of the 12th Party Central Committee, and unanimously adopted the resolution on conscientiously studying and implementing the CPC Central Committee's resolution concerning the guiding principles for building socialist spiritual civilization. The participants also called on members of the provincial CPPCC Committee to take an active part in the activities arranged by the local party committees in a unified manner for studying and implementing the resolution of the 6th Plenary Session of the 12th Party Central Committee, and to conscientiously study, propagate, and implement the guidelines of the resolution of the 6th Plenary Session of the 11th Party Central Committee.

During the meeting, Zhang Wenjin, president of the Chinese People's Association for Friendship With Foreign Countries, was invited to make a report on the current international situation. The meeting participants also listened to a report on the work of the Work Group for Reunification of Motherland and the Motions Committee under the provincial CPPCC Committee.

/9599

CSO: 4005/191

NORTH REGION

REGIONAL AFFAIRS

BRIEFS

SPORTS TEAM'S FOUNDING CELEBRATED--The municipal Physical Culture and Sports Commission ceremoniously held a meeting yesterday to commend the outstanding athletes, coaches, and workers who did a good job in developing sports in the motherland and Beijing Municipality and to celebrate the 30th anniversary of the founding of the outstanding Beijing Municipal sports team. Leading comrades of Beijing Municipality, including Chen Xitong, Jiao Ruoyu, Bai Jiefu, Li Jinmein, Zhang Baifa, Gan Ying, and Xia Xiang, attended the celebration meeting. Chai Zemin, Xu Yinsheng, and Zhong Shitong as well as leading comrades of departments concerned were also invited to the meeting.
[Excerpt] [Beijing BEIJING RIBAO in Chinese 4 Nov 86 p 1] /9599

CSO: 4005/191

LIAONING CADRES TO WORK YEAR IN COUNTRYSIDE

Beijing RENMIN RIBAO in Chinese 8 Oct 86 p 4

[Article by Wang Fujie [3769 6534 2212]: "A Change in Workstyle and an Attempt To 'Trim the fat'; 1,000 Cadres To Serve in Impoverished Counties and Townships for a Year"]

[Text] On 5 October, 1,000 cadres from the Liaoning provincial organs rushed to the remote and impoverished counties and townships throughout the province to serve for 1 year and provide assistance in developing the economy.

The eastern, western, and northern parts of Liaoning Province are vast in territory and rich in natural resources, but for historical and practical reasons these regions have not been able to take advantage of their favorable conditions and potential and still lag behind in economic and social development. In order to expedite changes in these regions the Liaoning provincial party committee and the provincial government have promulgated policies pertaining to development funds, food production, environmental resource protection, and mineral excavation favorable to these regions; in addition they decided to transfer 1,000 party and administrative cadres and specialists from various professions to the impoverished counties and townships in the aforementioned regions to work and provide the leadership toward accelerating their economic growth. Reaction to this decision was enthusiastic, many cadres in the provincial organs volunteered. Among the first group of 1,000 cadres most have a college education or more, and among these, 8 are from the provincial office and bureau levels, 104 are from the department level and 104 from the section level.

This group of cadres will go directly to the townships and the villages to work, some to take over leadership in party and administrative work and others to be responsible for scientific, technical, educational, or public health undertakings. According to regulations, these cadres will keep their residential and salary status and bring only their membership credentials. In principle they will return to their original posts after their 1-year term, at which time the provincial organs will transfer a similar group of cadres to take their places. They will rotate regularly under a fixed system.

At a recent meeting of the cadres of the provincial organs, Quan Shuren [0356 2885 0088], secretary of the Liaoning provincial party committee, said that

the purpose of sending the cadres to work in the impoverished townships and villages is not just to lend support to efforts to improve the conditions there but also to improve the workstyle of the organs and help the cadres become more aware of the people and at the same time try to streamline the administrative structure and "trim the fat."

12986/13104
CSO: 4005/096

MILITARY AND PUBLIC SECURITY AFFAIRS

BRIEFS

JILIN RESERVE UNITS FIGHT FLOODS--The following units were commended for outstanding work in flood control: Armored Forces Technical School; Changchun ground forces reserve artillery division in the Changchun Military Subdistrict; Siping ground forces reserve infantry division in the Siping MSD; and the Baicheng ground forces reserve infantry division in the Baicheng MSD. [Summary] [Changchun JILIN RIBAO in Chinese 21 Sep 86 p 2]

BAICHENG RESERVE INFANTRY DIVISION--On 1 July, the Baicheng ground forces reserve infantry division's CPC committee was formally established with the authorization of the Jilin Military District CPC committee. [Text] [Shenyang DONGBEI MINBING in Chinese No 9, 4 Sep 86 p 23]

SICHUAN RESERVE DIVISION--To improve the capability of organizational cadres, the training unit of a certain Sichuan reserve division held training classes for organizational cadres in active service at the division and regiment levels. They primarily studied problems of defensive operations in mountainous forested areas. [Text] [Chengdu XI'NAN MINBING in Chinese No 10, 10 Oct 86 p 19] A certain Sichuan reserve division formed 818 working groups to provide agricultural support for over 10,000 mu of fields which are the responsibility of poor households and family members of soldiers who had died in combat. [Text] [Chengdu XI'NAN MINBING in Chinese No 8, 10 Aug 86 p 22]

GUANGXI RESERVE DIVISION--Recently a certain ground forces reserve division in Guangxi made use of the experience of its 1st Howitzer Company while participating in combat on the front lines, and called a discussion meeting on reserve unit construction. They analyzed the problems faced before combat of cadres assuming their stations, mobilizing soldiers, training backbone cadres, political education, logistics support, caring for the disabled, and coordinating with the locale. [Text] [Beijing ZHONGGUO MINBING in Chinese No 9, 9 Sep 86 p 19]

DONGCHUAN MSD ESTABLISHED--The Chengdu Military Region has decided to form the Dongchuan Military Subdistrict on the foundation of the former Dongchuan City armed forces department (county-level), and to give it division-level authority. The Dongchuan MSD was formally established 4 October. [Text] [Kunming YUNNAN RIBAO in Chinese 9 Oct 86 p 1]

CHENGDU MR GROUP ARMY--A certain group army in the Chengdu Military Region took the initiative to assume responsibility for the construction of the "Ba Yi" tunnel in Chongqing. More than 800 soldiers and cadres struggled to complete this 500 meter tunnel 4 months ahead of schedule. This tunnel is one of the largest municipal road tunnels in the entire nation. The Chongqing government named this tunnel "Ba Yi" [1 August--Army Day] and Military

Commission Deputy Chairman Yang Shangkun presented calligraphy commending the accomplishment. [Text] [Chengdu XI'NAN MINBING in Chinese No 8, 10 Aug 86 p 24]

AIR FORCE PROVIDES DOMESTIC TRANSPORT--While completing all types of war preparedness tasks, Air Force units have opened tourist and transport charter enterprises to alleviate our national air transport deficiencies and support national economic construction. As of mid-September, Air Force units have flown a total of more than 21,000 sorties to transport 507,000 domestic and foreign passengers and 11,000 tons of goods. [Text] [Beijing GUANGMING RIBAO in Chinese 2 Oct 86 p 2]

NANCHANG CONSCRIPTION PROGRESS--As of 11 September, Xihu Qu in Nanchang City strictly, accurately, and quickly completed 1986 conscription registration work according to regulations set by the military affairs departments. More than 7,500 registrants of suitable age happily received three types of registration cards: required to serve, not required to serve, and not able to serve. [Text] [Nanchang JIANGXI RIBAO in Chinese 28 Sep 86 p 2]

SHANDONG CONSCRIPTION--Since conscription work began this year, over 1,200,000 youths of suitable age in Shandong Province have been recruited for military service. [Summary] [Jinan DAZHONG RIBAO in Chinese 20 Sep 86 p 1]

XIZANG SIGNAL BATTALION HOLDS CLASSES--The signal battalion of a certain unit stationed in Xizang united actual circumstances in the unit and held many types of study classes to actively train dual-purpose talents. In order to adapt to the needs of the new situation, for the past year this signal battalion has held classes in electrical engineering, maintenance of household wireless equipment, and music appreciation. They also have held courses in basic Chinese and science skills for the Xizang nationality soldiers. [Text] [Lhasa XIZANG RIBAO in Chinese 11 Oct 86 p 2]

CSO: 4005/211

TAIWAN

POLITICAL SOCIALIZATION IN TAIWAN DISCUSSED

Hong Kong CHIUSHI NIENTAI [THE NINETIES] in Chinese No 200, Sep 86 pp 66-67

[Article by Lung Ying-tai [7893 2019 0669]: "The Crux of Taiwan's Problem Is the 'King's New Robe'"; first paragraph is source supplied introduction]

[Excerpts] (As a columnist, Lung Ying-tai has been recognized as a "rising new force" in Taiwan in the past few years. She was born in Taiwan, studied in the United States and obtained her doctor's degree in English at Kansas State University. She returned to Taiwan in 1983 to teach at Tanchiang University. In the past year or so, her special column, the "Prairie Fire," in the CHUNGKUO SHIHPAO [CHINA TIMES] has swept across the cultural circles like a prairie fire. In a few months since a volume was published, 100,000 copies have been sold, creating a "Lung Ying-tai whirlwind.")

Together, the ruling party and the people in Taiwan are putting up a show. The name of the show is "The King's New Robe." Everyone, including the Kuomintang and the people, knows that the so-called legally constituted authority is the King's new dress, but all say that it is real.

Before I came to Hong Kong, I collected 12 civics textbooks for the 6 years in primary schools, to see what kind of ideological education our students are getting. The preface in the civics textbooks says that the course is aimed at helping students understand China's historical origins, and one of the purposes stated is to understand our environment. However, of the 1,200 pages in the 12 textbooks written for primary-school students born and raised in Taiwan, only 30 pages really have anything to do with Taiwan, and the rest is about the topography, climate, etc., of mainland China. In other words, we are making our children pretend that we are still living in mainland China, which is our environment. And what are the topics in the 30 pages about Taiwan? There are "the government with great promises," "two great men of Taiwan," The subject on page 30 says that Taiwan is the base for China's recovery, which is what we have heard since childhood. Aside from the political problems it has created, the assertion has caused other rather serious consequences, which can be used to explain why Taiwan is now beset with so many problems.

A base for China's recovery has a threefold meaning. First, since it is a base, it is military, and not a place to lead a normal life. In other words, barbed wire is more important than libraries. At present, more than 50 percent of

Taiwan's budget is for defense. Second, as a base, it is temporary, and not permanent. Who lives permanently on a base? Unless you are a professional soldier. But even a professional soldier goes home on leave. This feeling that things are temporary and not permanent is what often referred to by Taiwan's people as the temporariness mentality. With this mentality, it is only natural that they are not going to pay much attention to and make the maximum investment in Taiwan's ecological environment. They will not think about what will become of this land 100 or 10,000 years from now. Anyway, everything is only temporary here, and you can dig anyway you like. Third, since this is a base, it is only the means, and not the end. This is why our textbooks put the stress entirely on the experience of the mainland, and not on the living experience of Taiwan.

The reason I take the textbooks as an example is to point out that in order to uphold the existence of this new robe of the King, they have to intentionally ignore Taiwan's entire culture and Taiwan's past. As a result, generation after generation of Chinese born and brought up in Taiwan have become schizophrénics. How so? While they are staying and living in this place, they have to constantly remind themselves in their learning process that they are here only temporarily and that this is not their place. To build Taiwan with this state of mind, how can there not be all kinds of environmental, cultural and other problems as mentioned previously?

I believe that Taiwan's ruling party knows perfectly well where the crux of all these problems lie. It finds itself in a very awkward position. However, for fear of hurting its legally constituted authority, it cannot settle down and get on with its pursuit in Taiwan, but has to persist in achieving economic results at the expense of the environment, hoping that the government's economic efforts can keep the people in general satisfied so that they will not question the King's new robe.

12802/7358
CSO: 4005/130

ENACTMENT OF NATIONAL SECURITY LAW DEEMED UNNECESSARY

Taipei TZULI WANPAO in Chinese 7 Oct 86 p 3

[Article by Lin Shan-tien [2651 1472 3944], director of the Law Research Institute, Chengchi University: "It Seems Unnecessary to Enact a National Security Law"]

[Excerpt] According to press reports, the 12-member group of the standing committee of the ruling party's central committee has decided in principle to enact a "national security law" first and then declare an end to the martial law. Great progress has been made in political, economic, social, educational and other fields in Taiwan over the past 30 years and more. Putting an end to the martial law is certainly a sensible thing to do today, as both subjective and objective conditions are ripe for such a move, but it is doubtful that a "national security law" is needed as a substitute.

It Is Inadvisable To Enact a National Security Law

The following are five main reasons why it is apparently not advisable to enact a so-called "national security law."

1. It will hinder political reform.

The 12-member group is set up by the ruling party's central standing committee to study and discuss six major political issues, and its real purpose should be to make plans for political reform and implementation of the constitution. The decision to end martial law, which is a breakthrough, should have real meaning in promoting constitutional government, and not just a way to cope with external pressures and alter, in appearance only, the bad international image of military rule. If "national security" is stressed and a "national security law" is enacted prior to declaring an end to martial law, people will naturally get the impression that little will be changed in substance and that the martial law system will remain basically intact. It will be putting a new "national security law" label on the existing system. This "old wine in new bottle" type of political reform not only is to no avail but will cause harmful side-effects and hurt the government's new image.

2. It runs counter to the principle of constitutional government.

While giving consideration to "extraordinary laws" for unusual times, a wise legislative policy should also pay attention to the "institutional integrity" of the ordinary legal system in normal times and the "precedence order of laws" under the constitution. The implementation of extraordinary laws will cause the temporary suspension of ordinary laws, thus destroying the integrity of the normal legal system. Therefore, in enacting extraordinary laws, attention should be paid to minimizing the damage they may cause to the normal legal system.

Under the traditional concept that "national security is above everything else," the enactment of a "national security law" will inevitably include numerous stipulations which will deprive or restrict the people's basic rights and freedoms, thus incompatible with provisions in the constitution. Once a "national security law" is drawn up and promulgated, it is bound to run counter to the constitutional principle of "returning to the constitution" and will undermine the government's determination and image in promoting democracy and constitutional government.

3. Extraordinary laws should not be expanded.

In addition to ordinary laws, there are still numerous extraordinary laws in the present legal system, for example, the "national general mobilization law," the "provisional regulations on punishment of those guilty of disrupting the national general mobilization," the "regulations governing agriculture, mining, industry and commerce during unusual times" and so forth enacted to meet the needs of general mobilization to wage a total war during the war of resistance against Japan. After victory of the war against Japan, these special laws enacted to meet the needs of the war should then be repealed so that the legal system could return to normal. However, owing to the Chinese communists' armed rebellion, the legal system, which had not yet returned to normal, went into a "rebellion suppression" stage to meet the needs of the war to suppress the rebellion. After the promulgation of the "interim provisions for the period of mobilization and rebellion-suppression" on 10 May 1948, the legal system moved into a "mobilization and rebellion-suppression" stage, combining the "mobilization" during the war against Japan and the "rebellion suppression" in the war to quell the rebellion. Since then, numerous special laws for the "period of rebellion suppression" or "period of mobilization and rebellion suppression" have been enacted.

Because there are too many "extraordinary" special laws in the present legal system, and because of the prolonged enforcement of what are essentially "provisional" or "interim" laws, the ordinary laws have been impaired to the extent of hindering the development and realization of democracy and constitutional government. And a solution is urgently needed. Now, the addition of a "national security law" and administrative decrees based on it, forming a "national security law and decrees" system, to the legal system, which is already full of special laws, will only add to the confusion.

4. The present constitution already provides for emergency state powers.

A country, as an individual, may also be faced with a state of emergency or an extraordinary situation. To protect itself, a country should give "emergency state powers" (Staatsnotrecht) to the government to proclaim martial law and issue emergency orders according to stipulations of the constitution and the law. Our constitution also provides for such emergency state powers. It stipulates that the President proclaims martial law according to provisions of the constitution (Article 39). It also stipulates that when the state is faced with natural disasters or major financial or economic crises which call for immediate measures, the President may issue emergency orders according to the law of emergency orders (Article 43). To further strengthen the President's power to take emergency actions to meet the requirements of mobilization and rebellion suppression, it is stipulated in the "interim provisions for the period of mobilization and rebellion-suppression": "During the mobilization and rebellion-suppression period, to prevent an imminent calamity from happening to the country and the people or to cope with a major financial or economic crisis, the President may take emergency actions though a decision by a meeting of the Executive Yuan without being restricted by the procedures stipulated in Article 39 or 43 of the constitution." Therefore, the President already has sufficient power to act swiftly in dealing with emergencies under the present legal system. There is no need to enact a "national security law" as the legal basis for the exercise of emergency powers.

5. Sufficient punishment is provided for in the present criminal law to safeguard national security.

The security of the country and government has always been an important legal matter protected by the criminal law. Numerous punitive provisions are already in the present criminal law to protect the security of the state and government, for example, the crime of insurrection in articles 100 and 101, the crime of foreign aggression in articles 103 through 115, and so forth of the criminal law. In addition, there are quite a number of special criminal laws enacted specifically to deal with criminal activities endangering state and government security, for example, the "regulations regarding punishment of insurgents," the "regulations regarding the exposure and punishment of communist bandit spies in the rebellion-suppression period," the "regulations regarding punishment for hindering the fulfilment of a military plan," the "law governing forts and fortified zones," the "interim provisions on punishment for hindering the general mobilization," and so forth. These special criminal laws stipulate obviously heavier punishments than does the ordinary criminal code, and they cover a rather wide range of crimes. These laws can mete out sufficient punishment for the crime of endangering state or government interests. Therefore, the existing laws in the present legal system can adequately safeguard national security. There is no need to stress "national security" and enact another special law.

12802/7358
CSO: 4005/129

END